

The National Underwriter

LIFE INSURANCE EDITION

Twenty-Ninth Year, No. 39

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, SEPTEMBER 25, 1925

\$3.00 Per Year, 15 Cents a Copy

RECORD GAIN IS MADE IN AUGUST BUSINESS

Research Bureau Reports August
Increase 27 Percent Over
Year Ago

YEAR'S GAIN 13 PERCENT

Middle Atlantic and West North Cen-
tral States Show Best Pro-
duction Records

HARTFORD, CONN., Sept. 23.—A record gain of 27 percent over the corresponding month of last year was made by sales of ordinary life insurance in August according to figures just issued by the Life Insurance Sales Research Bureau of Hartford. The total volume of business sold by the eighty-two reporting companies in August this year was \$846,493,000. These companies have 88 percent of the total business in the country.

Better Conditions Help

Every section of the country, and every state except Oklahoma shared in the general gain. The lowest gain made in any of the nine geographical sections of the country was 15 percent in the West South Central states; the greatest gain was 33 percent which was shown by both the Middle Atlantic and the West North Central states. The gain over last August is due in large part to better general business conditions this year. In August 1924 business was slower than in any other month in the year, and life insurance sales fell off sharply.

Gain 13 Percent Over 1924

The figures for the first eight months of 1925 show an average gain of 13 percent over sales in the same period of 1924. Every section has shared in this gain as well as in the gain for the month of August. The leading sections are the Middle Atlantic and the West North Central states.

Canadian Figures Good

Thirteen percent more ordinary life insurance was purchased last month in Canada than in August of 1924. During that month \$31,724,000 of new business was delivered and paid for by companies having in force 83 percent of the total business in Canada.

All the provinces in the Dominion, with the exception of New Brunswick, showed improved conditions, and Alberta and Nova Scotia showed gains of 41 percent each.

Alberta Shows 41 Percent Gain

Improving business conditions in the west were reflected by the records of British Columbia with a gain of 3 percent, Saskatchewan with a gain of 4 percent, Manitoba with a gain of 14 percent, and the Alberta record of 41 percent gain. In the east, Quebec had a gain of 20 percent, and Newfoundland and

QUESTION OF NATIONAL ASSOCIATION IN PUBLISHING BUSINESS DISCUSSED

E. J. WOHLGEMUTH, head of THE NATIONAL UNDERWRITER organization, has written a letter to the "Eastern Underwriter" regarding some points that have been raised in connection with the controversy over the National Association of Life Underwriters being active in the publishing business for a profit in competition with regular insurance publications. Mr. Wohlgemuth says:

"The suggestion is made that when the National Life Underwriters Association tries to secure a commission on the life insurance books used by its members it is not fair to call this 'rebating' in the publishing field. But is it not just this? The association, from the publishers' viewpoint, is an organization of their customers, pure and simple. When the association demands a commission on the books used by its members and instructs them to send their orders for books needed through it, it collects a rebate. Whether it uses the money to reduce the dues of the members or sends it to them direct is immaterial.

Where the Pinch Comes In

"The publishers have their own organizations to sell their books and cannot duplicate the expense and the system through the National association. The association, appreciating this, has gone outside the regular insurance publishing field and induced outside publishers, which have no insurance organization, to enter the field in competition. These publishers are very glad to pay the National association a large commission to market their products. But the National association does not despise commissions, even though small, which it may be given by some insurance publishers, so it solicits that business, also.

Bad Brand of Competition

"However, when an insurance publisher takes an order for books gotten out by the association's publishers, he receives only half the commission, the other half going to the association under its preferential contract. The whole system is the worst kind of competition, created without regard for the insurance publishers who have done as much to build up the National association membership as the little group of men who are responsible for the association's publishing policy. The association is not only injuring its best friends by remaining in the publishing field but is likely to alienate the most powerful influence it has to depend upon to maintain its

Prince Edward Island had gains of 19 percent and 2 percent respectively.

There was a wide variation in the records of the different cities. The greatest improvement was in Quebec with a gain of 111 percent. Winnipeg had a gain of 22 percent, Montreal 17 percent and Toronto 11 percent.

The first eight months of 1925 have reached a point where the records show a gain of 7 percent over the corresponding months of 1924. The gain in the twelve months ended August 31, 1925, over the preceding twelve months is 6 percent.

present position and broaden its scope. "Of course, if the National association is properly in the publishing business it is thereby a competitor of the regular insurance publishers and it has a right to do all the things it is doing. If it is properly in the publishing business then it becomes a competitor of the regular publishers and is not entitled to their support. There is only one question at issue and that is whether it should be in the publishing business or not. We maintain that it has projected itself into a field, and in an objectionable way, which it has no right to enter and against its own best interests.

Will Not Further Interest

"I do not think the publishers would object so seriously to the competition of a cooperative publishing or book house if it stood on its own feet and were dissociated from the powerful influence of the National association, though that is distasteful to many with pronounced ideas, but using the National association which the publishers have strongly supported and helped to build up, to swing into the competitive field, is intolerable and I am convinced will not further the true interests of the National association and the platform for which it stands.

Agencies Highly Individualized

"An editor writes me: 'Life insurance, you know, is mostly mutual and it is pretty delicate ground to criticize mutual agents for mutual practices. In fire insurance it would be otherwise.' I would like to set up the thesis on this point that life insurance, so far as the agents are concerned, is not 'mutual' in the spirit indicated and that the life insurance agency business is just about the most highly individualized business in the world. Whatever the form of organization of the companies may be, every agent is strictly in business for himself and should not attempt to hide behind 'mutual' apron strings. I think here we may have the secret of why the National association has seen fit to go so far into the publishing business.

Recognize the Rights of All

"This editor also says: 'If they are encouraging the writing and publication of useful books for members and others, from their practical standpoint, I think they are doing a work I do not care to criticize.' I think it may be admitted that they are doing this but my argument is that it can and should be done in a different manner, recognizing the rights of all. It would be a really great achievement for the association to do what it has done without the taint of having gone into the business for its own profit, acted without favoritism, and conducted this work purely as a service to the business at large.

Easy to Make Up Deficit

"The argument that the association 'needs the money' is not a good one. A powerful association like this can well afford to assess its members for the proper expenses of its head office. Any deficit could be made up in ten minutes on the floor of the annual convention and I know one publishing house that would head the list."

FIREWORKS DISPLAY BY COMMISSIONERS

Election of Kendrick of Iowa
Brings Out Sharp Line of
Cleavage

MUCH RANCOR IS SEEN

Claim That Outside Interests Took Too
Active Part in Swaying Vote for
Candidates

SAN ANTONIO, TEX., Sept. 21.—There was an unexpected display of fireworks when the Insurance Commissioners Convention got down to the election of officers today. Many saw in it a fight between the east and the west. Undoubtedly this issue is still a live one in the Insurance Commissioners Convention. There have been outbursts before and indications that some of the westerners felt that the east had too strong a hold on the organization and was dominating it were apparent.

The pyrotechnic display started when Clifford Ireland of Illinois nominated W. R. C. Kendrick of Iowa for president. S. W. McCulloch, of Pennsylvania, the vice-president of the organization, had said from time to time that he did not desire to be elected president. This therefore had been taken for granted by the commissioners and many therefore favored Mr. Kendrick, not only because of his qualifications for the office but because he would suit the western men. Mr. Kendrick is conservative, comes from an insurance state and has always been impartial. Harry L. Conn of Ohio nominated Mr. McCulloch, suggesting that the convention adhere to its old time custom by making the vice-president president. Many of the commissioners did not understand the proceeding, as they had been assured that Mr. McCulloch would not be a candidate and hence pledged their votes to Mr. Kendrick. On roll call Mr. Kendrick was elected by 23 to 11.

Monk Makes Accusations

Following the announcement as to Mr. Kendrick's election, Commissioner Wesley Monk of Massachusetts took the floor and in very emphatic terms said that he desired the records to show that his state disapproved of the methods used in the election. He said that he was opposed to any outside interests approaching him and suggesting who should be the officers. This at once started the big fireworks. Shortly afterwards Commissioner Will Moore of Oregon in a talk took exception to the inference he said that must be drawn from Mr. Monk's remarks. He said that it was intimidated by the Massachusetts commissioner that outside interests were working for Mr. Kendrick. Mr. Moore said that he favored Mr. McCulloch until recently.

Telegram Was Received

He said he had received a telegram from an eastern insurance organization (CONTINUED ON PAGE 32)

DISCUSS SUBSTANDARD

NOT A DUMP FOR REJECTIONS

Consideration at Aetna General Agents' Conference Brings Out Status of This Type of Underwriting

One of the most interesting and useful branches of life insurance is the so-called "sub-standard." Dr. E. K. Root, Aetna medical director and Dr. D. B. Cragin discussed it before the Aetna general agents' conference at Poland Springs last week. It is by no means the purpose of this branch to cover business rejected by other companies. Dr. Root bluntly said that this department was by no means an ash barrel, although many agents seem to think so.

He explained the functions of this department in very interesting fashion when he said that human contingencies makes cripples who are insurable. Insurance is not for men who are ill, but for those who are well. A man who has met with accident or illness and has not completely recovered is a cripple, from this viewpoint. He is therefore at a disadvantage with the average man upon whom the regular insurance tables are based. He can not endure the same exposures.

Entitled to Protection

Such cripples are entitled to the protection of insurance and, as experience grows with various classifications, and the volume of risk increases, the selection will improve. Actuaries have already worked out many ratings based on various occupations, diseases and other classifications.

The experience to date on overweights has been sufficient to standardize their ratings in spite of the wide variation in practice between companies.

Dr. Root stated that the state of the substandard business is still rather chaotic and behind the times. Any prognosis on an individual is a plain guess, though prognosis on a group is certain. Due to the rapidly increasing experience throughout the country generally by all life companies, substandard practice is progressing toward accurate, fair and conservative bases, and the time is fast approaching when variation in practice will be far less pronounced than at present.

Expense of Rejections

An item of large and uncalled for expense arises from rejected cases. The companies have preliminary blanks which do not call for medical examinations. Submitting cases on these forms will invariably enable the medical division to determine if a physical test is justified. He therefore advocates the greater use of preliminary blanks. Dr. Root also made the interesting statement that the final selection in all cases whether standard or sub-standard is in the hands of the agent soliciting the case.

Dr. Cragin outlined the medical department practice under a wide variety of conditions, his subject being "The Substandard Insurance Primer." His initial remarks, however, were to tell the general agents that it is impossible to forecast ratings. From the standpoint of the medical department decision in any given case depends upon the lapse of time since injury or illness, knowledge of conditions of illness, family history, and other facts. He went on to say that ratings must be based on positive evidence, and the kind of insurance applied for.

An interesting development has been the effect of the electro cardiograph. In cases where a heart impairment is in existence, such a record may be very valuable in securing a better rating. An electro cardiograph gives an exact record of the heart condition at the time of the rating. Submission of such evidence may be a decided advantage to the applicant. Indeed, it is not unusual that the applicant may save far more than the cost of the record in his annual premium.

COMPLIMENTS AGENTS

CHARLES R. DETRICK'S TALK

California Association Hears Suggestions and Criticisms of Insurance Department from Its Chief

In an address before the recent meeting of the California agents, Insurance Commissioner Charles R. Detrick declared his sincere regret that the only legal qualification requisite to appointment as insurance commissioner of California was a negative one—that the proposed commissioner must not be connected with any insurance company. Beyond that requirement, Mr. Detrick pointed out, the law is silent and implies that any normal person in possession of average faculty is considered eligible to act as the official regular of the insurance business in the state.

Without casting aspersions upon the insurance profession, Commissioner Detrick declared that if every agent and employee was sincere in the application of his desire to aid the citizens of California, then the job of the supervising official would be a light one, making small demands on the thought or energy of the commissioner. Mr. Detrick pointed out that the statutes of California set greater limitations upon the appointment of an agent than upon the qualifications of a commissioner.

Theory and Practice Differ

"It would seem," he continued, "that the principal duty of the insurance department is to examine into the practices of companies and make sure that their contracts are equitable, their reserves unimpaired, etc. Yet in actual practice, a large proportion of our working hours is devoted to settling complaints about agents and their qualifications. Insurance from the standpoint of a local agent is a matter of personal service and to that extent the business partakes of a nature of a profession, and professional standards should apply.

"Doctors and lawyers, for example, have succeeded in building up a definite standard of conduct that has made 'quack' doctors and 'shyster' lawyers outcasts. Unfortunately for the insurance business, there are still men in it who pursue the methods of the quack and the shyster and I think that there is no more important function of the California association than the expulsion of these men from the ranks of licensed agents."

Regrets "Unearned" Commissions

In continuing his address, Commissioner Detrick pointed out that the "unearned" commission is one of the greatest menaces to the insurance business. He first showed that a collected premium may be either earned or unearned and that an unearned premium is a statutory liability. "There is a very close parallel between premiums and commissions in this regard," he pointed out, "and every time an agent pockets a commission which he has not earned by honest service to the insured and to the company, he is setting up a future liability for himself and for the entire institution of insurance.

"An agent may fool himself," according to Mr. Detrick, "that his unearned commissions are part of his assets, because he has the money in his pocket, but in reality, they are a liability and some day he will find himself very much in the 'red.'"

Decries the "One-Case" Agent

The commissioner then touched on the "owner-agent," the man who has neither developed the business or diagnosed the need of the insuring public. He declares that the legitimate agent has suffered in the first place by having his field of operation curtailed and his income lessened. "But a more serious evil," he pointed out, "is the effect produced upon the minds of the average citizen who soon comes to resent the diverting of a

SHOWED BIG INCREASE

AUGUST SALES WERE HEAVY

Report of Association of Life Insurance Presidents Discloses Unusually High Record

NEW YORK, Sept. 23.—Forty-three percent more life insurance was purchased last month than in August, 1924. Due to vacations and other seasonal variations, August in past years has always been a low month in life insurance production, but last month's figures are the greatest ever produced in any month in the past save December, 1923, December, 1924, and May, 1925. This unusual activity in summer life insurance is shown by data forwarded by the Association of Life Insurance Presidents to the United States Department of Commerce.

Quarter Billion Increase

The enormous amount of \$930,000,000 of new business was produced in August by 45 member companies of the association having in force 81 percent of the total outstanding life insurance of all United States legal reserve companies. This is an increase of \$281,000,000 over the production of August of last year.

The \$930,000,000 of new insurance written last month is more than double the amount that was purchased in August, 1921, only four years ago. The production of ordinary life insurance amounted to \$622,792,000, an increase of 28.4 percent; industrial amounted to \$181,048,000, an increase of 27.9 percent and group amounted to \$126,892,000, an increase of 452 percent. The percentage of increase in both ordinary and in group insurance is much larger than achieved in any former month this year.

Record Year Foreseen

According to the Association, 1925 promises to be a record year of outstanding importance. In the first eight months these 45 companies wrote \$7,044,158,000, an increase of 19.9 percent over the same period of 1924. There has been more new business purchased in these eight months than in the entire year of 1922. All classes of insurance contributed to this increase. Ordinary for the first eight months amounted to \$5,067,141,000, an increase of \$658,193,000, or 14.9 percent; industrial amounted to \$1,495,493,000, an increase of \$252,062,000, or 20.3 percent and group amounted to \$481,524,000, an increase of \$256,855,000, or 114.3 percent.

sizable portion of the premium he pays into the pocket of an agent who did nothing whatever for him. His resentment usually takes the form of throwing his influence in favor of freak restricted measures which are presented in almost every session of the legislature against the insurance interests.

"The insurance department has already gone on record as inviting complaints against illegitimate agents," the commissioner declared, but he asked that the complaint be made definite and asked that the plaintiff realize that the department cannot act until it has positive proof on which to proceed."

The commissioner objected strongly to having his department made a weapon to "fight" a competitor. After summing up his suggestions for improvements and better co-operation between the association and the department, Commissioner Detrick declared that the tremendous growth of the insurance business in California in recent years is the best possible testimony to the honorable and energetic methods used by the vast majority of licensed agents.

"While some complaints are outstanding," he declared, "they are few and far between," and he closed his address by congratulating the members of the association on their part in securing and holding public recognition for their profession.

KANSAS CITY IS READY

LAST ANNOUNCEMENTS MADE

New Speakers and Features for the National Convention of Life Underwriters Add to Interest

KANSAS CITY, MO., Sept. 27.—"Kansas City is ready," is the greeting sent out this week by the officers and members of the Life Underwriters Association of Kansas City to the members of the National Association.

It is announced that the regular sessions of the convention will begin at 10 o'clock in the morning instead of at 9 a. m. as previously announced. The first regular session is to be Tuesday morning, Sept. 29 at the Orpheum theater. Members of the National executive committee from each local association are supposed to attend the annual sessions of the group Monday morning, beginning at 10 o'clock in the Hotel Muehlebach. The National trustees will have a meeting at 8 a. m. preceding the meeting of the executive committee.

Delegates who have secured reservations should go directly to their hotels and then promptly report to the headquarters at the Hotel Muehlebach to register and receive badges, programs and instructions. Delegates who have not previously made hotel reservations should go directly to convention headquarters and be aided in making reservations, which are in charge of E. J. Montague and Edward Villmoare. The local arrangements are such that while reservations are now exhausted at the Muehlebach, there are several hotels within a block or two both of the headquarters and the Orpheum theater so there is no disadvantage in being located at any of these hotels.

Banquet Speakers Announced

Announcement is made of the speakers for the banquet on Thursday evening, Henry J. Allen, former governor of Kansas, who has a national reputation as a wit as well as a hard-hitting speaker will speak to the toast: "Life Insurance and the Average Man." The other speaker is to be Rev. Dr. Burris A. Jenkins, of Kansas City, Mo., pastor of the Linwood Boulevard Christian Church, who has the unique distinction of having to preach the same sermon twice each Sunday in order that all who want to hear him may be accommodated. He is known to radio fans all over the central part of the country because of his broadcasting. His subject is: "Life Insurance and the Preacher."

A feature of the convention not previously announced is "Thy Will Be Done"—a dramalet in III Episodes by Louis Ullman and George W. Ayars, of Los Angeles, co-authors of last year's play. Players from the Kansas City Theater Guild are to present the play under the direction of the authors who are coming to Kansas City before the convention for that purpose.

To Meet at Convention

At Kansas City there will be a meeting of all Aetna men attending the National Convention of Life Underwriters. The meeting will be held at the Kansas City Club and will open with a luncheon. William H. Dallas, superintendent of agencies, and H. Peter Gravengaard, director of the Aetna training school, and possibly other home office executives will be present.

Producers to Attend Convention

The National Fidelity Life is allowing credit to agents on new paid up business whereby the salesman may earn all or part of the expenses of a trip to the National Convention which meets in Kansas City next week. Additional conferences and entertainments have been planned for the National Fidelity agents by their home office.

COMMISSIONERS ELECT KENDRICK PRESIDENT

Decide That December Meeting
Is to Be Held in
Chicago

ATTENDANCE WAS LARGE

Papers of Vital Interest to Insurance
Fraternity Were Read at San
Antonio Convention

SAN ANTONIO, TEX., Sept. 23.—
W. R. C. Kendrick, commissioner of
Iowa, was elected President of the Na-
tional Convention of Commissioners at
the annual session, last week. T. M.
Henry, Mississippi commissioner, was
elected first vice-president; T. M. Bal-
din, Jr., District of Columbia, second
vice-president; Joseph Button, Rich-
mond, Va., secretary-treasurer.
T. S. McMurray, Jr., Indiana, was



W. R. C. KENDRICK
President National Association of
Insurance Commissioners

Selected chairman of the executive com-
mittee. Frank N. Julian, Alabama;
Leslie G. Reed, Oklahoma; Will Moore,
Oregon; S. A. Olsness, North Dakota;
A. C. Caldwell, Tennessee, and H. L.
Conn of Ohio were elected members
of the executive committee.

Contest for Officers

The election of officers was the out-
standing feature of this year's meeting.
Contrary to the usual practice there was
considerable contest for the offices.
President Kendrick was elected by a
vote of 22 to 11 over S. W. McCullough
of Pennsylvania.

The attendance was very large; in
fact it was one of the largest attended
meetings that the association has held.
The papers were most interesting. Sub-
jects of vital importance to the commis-
sioners and the insurance fraternity at
large were read.

The paper presented by William M.
Corcoran, actuary Connecticut depart-
ment, which suggested changes in the
legal valuation standard, was of such
moment that a committee composed of
actuaries from various insurance depart-
ments and representatives of two actu-
arial societies was appointed to consider
the recommendations made this com-
mittee to report at the December meet-
ing.

The association went on record as
approving the introduction of the teach-
ing of fire prevention in the schools of

PRESIDENTIAL TIMBER

THREE NAMES ARE MENTIONED

H. B. Arnold, G. A. Deitch or Emmet
May May Be Head of American
Life Convention

There is considerable interest in who
will succeed George Graham as pres-
ident of the American Life Convention.
H. B. Arnold, president of the Midland
Mutual Life of Columbus, O., is spoken
of very highly in this connection. Mr.
Arnold has been vice-president and gen-
eral counsel of his company and during
the year was elevated to the presidency.
He has served as chairman of the Legal
Section and is now a member of the
executive committee. Guilford A. Deitch,
vice-president of the Reserve Loan Life,
also a member of the executive com-
mittee, is another name spoken of. Mr.
Deitch also has been a tower of
strength in the Legal Section and has
done yeoman's service for the organiza-
tion. Emmet C. May, president of the
Peoria Life, has been mentioned during
the last few years as good presidential
timber. He has been before the Ameri-
can Life Convention on its programs
and has always been an able supporter
of the organization.

the country. The committee on valua-
tion of securities has been authorized
to make the usual contract with the
firm of Scudder & Company for the
preparation of this book. Some minor
amendments to the constitution were
read at this meeting and will be acted
upon at the December meeting. The
Chrysler-Palmetto contract was dis-
cussed in a general way in executive
session, but no definite action was taken.

To Meet in Chicago

Last year it was decided to hold the
December meeting of this year in
Florida. It now develops that it will
be practically impossible for the com-
missioners to secure proper accommo-
dations in Florida at that time of the
year. It has therefore been decided that
this year's December meeting will be
held in Chicago the week following the
meeting of the Life Insurance Presi-
dents' Association in New York.

At the opening of the Thursday morn-
ing session, Commissioner Joseph But-
ton of Virginia, secretary, made his
annual report, which showed that the
organization is in good financial condi-
tion. Following Mr. Button's report a
letter from R. C. Clarke, Vermont Com-
missioner, was read. Mr. Clarke asked
the association to consider the legality
of the plan of furnishing group insur-
ance to the Federal employees in Denver
by the Capital Life. Mr. Clarke said
that in his opinion such a plan is in di-
rect violation of the laws of Vermont
and some other states. It was decided
to refer this matter to the executive
session to be held later on.

Discuss Compensation Rates

"The Permanent Rules for Making
Compensation Rates adopted by the Na-
tional Council on Compensation Insur-
ance," was the subject handled by
Clarence W. Hobbs, former insurance
commissioner of Massachusetts. Acting
on the suggestion made from the floor,
Mr. Hobbs did not read his prepared
address, but gave an interesting sum-
mary. The printed pamphlet gotten up
by Mr. Hobbs will be distributed to all
the commissioners.

Before the election of officers Friday
morning, Commissioner Conn of Ohio
made a motion that the examiners of
the various departments use the tables
prepared by the commissioners where
there is a valuation of particular se-
curity shown in the table. It was said
that in many cases this was not being
done. The motion was adopted.

San Antonio and Texas did a good
job in entertaining all those in attend-
ance at the Insurance Commissioners'

RURAL CARRIERS' PLAN

CONFLICTS WITH STATE LAWS

Some of the Antagonistic Points are
Brought out by Michigan Insur-
ance Commissioner

LANSING, MICH., Sept. 24.—Early
reports of the plan of the National Rural
Letter Carriers' Association to obtain
group coverage for their membership
and also for families of members gives
Commissioner L. T. Hands the impres-
sion that the association will have con-
siderable trouble operating the scheme in
many states because of existing limita-
tions in the state laws governing group
insurance.

The Michigan commissioner is frankly
doubtful as to whether Michigan carriers
could take advantage of the plan as he
declares the proposition as announced
comes far short of complying with the
Michigan law, which is modeled after
that of New York. Were a company
now authorized in Michigan to accept
the proposal as advanced it would be apt
to peril its license in this state, he de-
clared, as no company could continue to
hold a Michigan license while writing a
form of policy not compatible with Mich-
igan laws.

No Recourse to Michigan Courts

On the other hand, if some unauthor-
ized company accepts the business, a
point on which the commissioner is un-
informed as the identity of the company
has not been disclosed, all such business
would have to be written by mail and
persons insured under the plan would
have no recourse to the Michigan courts
were the company to contest claims or
other difficulties arise. As nearly all of
the leading companies are licensed in
Michigan, Mr. Hands doubts that a com-
pany large enough to put the plan into
effect safely could be found outside this
class.

Where the Conflict Comes

The points in which the plan, whose
details were given out a fortnight ago by
Lorne G. Blackman, of Lansing, secre-
tary of the national association, conflict
with the state law, are, according to Mr.
Hands: 1. The employees rather than
the employer make application for the
insurance. 2. The employees defray the
entire cost, rather than dividing it with
the employer as the law provides. 3.
The Michigan law does not provide that
families of persons insured as a group
can also obtain insurance on the same
basis.

In announcing the plan, Mr. Blackman
said that considerable difficulty had been
encountered by the rural carriers' orga-
nization in placing the plan with a com-
pany in a state where such a proposal
did not conflict with the laws. He did
not, however, consult the Michigan com-
missioner in the matter.

Convention and the Fire Marshals' Con-
vention. A very elaborate program was
arranged and carried out in every detail.
The first of the entertainment features
was a drive over the city to the army
posts, parks and missions Monday after-
noon. Monday evening there was a spe-
cial illuminated spectacular exhibition
and drill and concert by the San An-
tonio fire department and uniformed
band. A splendid banquet by the Blue
Goose was given Monday night. Tues-
day the ladies were guests at a luncheon,
and another drive was given in the after-
noon. Tuesday evening the South-
western Life Underwriters tendered a
banquet and entertainment which was
attended by about 600 people.

Visited Rio Grande Valley

Wednesday was spent in the Rio
Grande valley. Some 300 of those in at-
tendance made the trip to the valley,
leaving San Antonio Tuesday night and
returning to San Antonio Thursday

(CONTINUED ON PAGE 10)

GROUP BUSINESS HAS NUMEROUS ADVANTAGES

Discussion on Subject at Aetna
Life General Agents'
Conference

ADVERTISES THE COMPANY

Makes Contacts with Great Numbers of
Wage Earners Who Become Pros-
pects for Ordinary Policies

One of the features of the Aetna gen-
eral agents conference last week at
Poland Springs, Me., was the discussion
of the advantages and the economic
effect of group insurance. That its
function is being recognized needs but
the evidence of its rapid increase during
recent years. As a leading factor in the
life insurance world, therefore, this sub-
ject was followed with unusual interest.

The broad features of this form of
contract were covered in the remarks of
E. E. Cammack, vice-president and actu-
ary. He defined group insurance as a
plan for projecting life and health in-
surance to the industrial workers. It
has proved most successful and it is sold
at a cost well within the reach of the
average employee. Its cost is much lower
than any other form of insurance, both
on account of its term reserve basis, and
because the cost per year per \$1,000 of
administration expense is much below
that of other forms.

Growth Is Impressive

The impressive growth of group in-
surance of the past few years is a story
of achievement and realization of ideals.
When Col. Bulkeley, then Aetna presi-
dent, and J. L. English vice-president
and actuary, inaugurated the writing of
group insurance years ago, they had
the belief that the plan was sound and
that it would be an asset of the com-
pany, but they did not, and could not,
have foreseen the proportions to which
this branch of the business has grown.

Under this form of insurance, 3,000,000
of our citizens are covered for \$3,000,-
000,000 of insurance at an outlay of but
\$30,000,000. This amount of insurance
is double that of three years ago and
five times that of only six years ago.
Already one-fifth of the available mar-
ket is covered. Mr. Cammack predicts
that but a few years will pass before
virtually every organization will have its
group policy. In other words, the time
is not far distant when the writing of
new group policies will not be so com-
mon as it is today, due to all companies
being covered.

Reap Benefits Later

The moral, of course, is that the
agents who work on group cases now
will reap the benefits in the years to
come for already the growth of business
under policies in effect has been rapid,
due, of course to the prosperity and ex-
pansion of the corporations carrying the
policies. This increased business is
secured at negligible cost for it comes in
without solicitation. While the remarks
have been applied to group insurance,
they apply with equal force to whole-
sale insurance, a form of group applying
to smaller organizations having as few
as 10 employees.

It is remarkable to note that the num-
ber of group certificates in force in the
Aetna has far surpassed the number of
policies of ordinary insurance. A study
of the largest companies shows them
to be those catering to the industrial
workers. No company, under present
civilization, can hope to lead except that
it is prepared to serve labor. Labor de-
sires insurance protection, as the great
companies of this country have demon-

Three Red Headed "Fighting Fools"

For Managerships in our Company at
AKRON COLUMBUS DAYTON

If you are not "too wise"
to grow with us—
make inquiry

THE TOLEDO TRAVELERS LIFE INSURANCE COMPANY
TOLEDO, OHIO

Orson C. Norton, President



The MEDICAL LIFE

Who considers every living person insurable upon some basis has just entered Illinois and South Dakota and has some very desirable territory open and is offering some very attractive Agency Contracts.

Address inquiries to:

F. H. Wight, State Agent,
417 Citizens National Bank Bldg.,
Decatur, Illinois.

and W. R. Leisure, State Agent,
P. O. Box,
Sioux Falls, South Dakota.

"Life Insurance for Everyone."
The MEDICAL LIFE
INSURANCE COMPANY OF AMERICA
WATERLOO IOWA

I. G. LONDERGAN
Vice Pres. & Gen'l Mgr.

Premiums once reduced are permanently lower

War, Flu or other catastrophe can not raise them even to their original level as would be the case in "participating" insurance if "dividends" were decreased or passed.

Do you know of any non-participating policies which provide for sharing in mortality savings and excess interest earnings? Premiums have been reduced under several forms of policies since 1919 and this unique feature is now regularly embodied in all forms of the low-rate non-participating policies issued by the

FEDERAL UNION LIFE

Home Office—Cincinnati, Ohio

"Easy to read, easy to digest, easy to remember, easy to put at work making dollars for me"—thus writes a buyer of "Easy Lessons in Life Insurance," a text and review book with quiz supplement. \$1.50 The National Underwriter Company, 1363 Insurance Exchange, Chicago.

strated. The modern approach to this market is through group.

Is Fine Advertising

The growth of such companies is due to the protection they afford and also to the intangible advertising of their millions of policyholders. The great production of these companies in ordinary business is directly traceable to their hosts of friends.

No business has so many satisfied policyholders, another name for unlimited opportunity for life insurance sales as the group contract. Therefore, from the standpoint of the men in the field, group policies spell pecuniary rewards as such agreements are secured and cared for.

In recent years, the bulk of group insurance has been written on what is known as the contributory plan, the employee paying a portion of the premium. Formerly, the entire premium was paid by the employer but experience soon proved that the employees did not at all appreciate something secured for nothing, a decidedly human trait. Furthermore, the employer invariably cancelled such contracts during periods of hard times.

Contributory Plan Approved

The contributory plan has met with universal success and approval. In the first place, the volume per individual has been increased, under the old plan, the insurance certificates were ordinarily for amounts of from \$500 to \$1,000. Under the new plan, certificates have increased to amounts of \$1,000 and \$2,000. Under the old plan, contracts were exposed to lapse because employers, while interested in the welfare of their employees, felt that true cooperation demanded that the latter carry a portion of the premium.

A wholly new group field now opening is that of health insurance. Mr. Cammack emphasized that if the industrial worker needs anything, he needs sickness insurance for nothing else exhausts a worker's savings and his hard won position and self respect as does a protracted illness. So great has been the thought of our economic leaders in this direction that it is Mr. Cammack's belief that states will make health insurance compulsory unless the insurance companies develop their facilities rapidly for underwriting this contingency.

Offers Wide Coverage

The group plans which the Aetna is offering, covering life, accident and health permit the solicitor to show employers a comprehensive program covering the various contingencies which affect the lives of those who make their livings by working. This assortment of plans lends a flexibility to contracts which will permit of broad selection enabling workers to adopt a program best fitted to them.

Group policies, by their nature must be worked out in the field. The home office can only advise and assist. It is essential, therefore, to transfer the group idea to the field, the method of accomplishing which was commented upon by R. S. Edwards, secretary of the group department.

Young Men in Training

To this end, a corps of promising young men have been selected for training at Hartford who are to assist the men in the field. These men are educated on selling group, on the service which the Aetna has to offer, on the type of organization of the Aetna field force and its home office and upon the large part which discipline plays in this work. The success with selling group business has been found to be very largely a matter of full co-operation between the agents, general agents and home office representatives.

The agency at Cleveland, O., has had marked success with group insurance. G. B. Chapman, of Chapman & Chapman, told of his experience in this field. Originally, he admitted, he was interested in the pecuniary return alone, but the results have become more far-reaching than he had anticipated. At first

WARNS AGAINST PLANNING

INVESTIGATES NON-MEDICAL

Commissioner John G. McQuarrie, Utah
Says Companies Will Have Trouble
Settling Claim Disputes

SALT LAKE CITY, UTAH, Sept. 23. — State Insurance Commissioner John G. McQuarrie has issued a statement in which he contends that the acceptance of life risks without medical examination is wrong, and he warns the companies doing this that they will not have the sympathy of the insurance department when they attempt to obtain relief from claims on the ground of fraud. Mr. McQuarrie declared that a company insists upon issuing a policy on the applicant's word that he is well, his word stands if a claim arises soon after and it is shown that the deceased was in poor health at the time the insurance was taken out.

He held that no adult policy should be issued for as much as one thousand dollars without a medical examination. He said the insurance laws of the state do not require that life companies have applicants medically examined, but he wished it to be understood that he felt they had no right morally or legally to repudiate a claim on the ground of fraud if they are willing to conduct their business without the usual precautions expected of life insurance companies. He contended that it was not scientific and also unfair to the policyholders who had submitted to examination and who believed the company was exercising great care in the selection of its risks.

Hears of Fraudulent Representations

It appears that some of the companies, according to Mr. McQuarrie, are accepting applicants for \$2,500 or more, without a medical examination. The commissioner said his attention was first called to the matter when he heard an officer of a prominent company say that business accepted without medical examination was giving them a great deal of trouble.

Questionable claims must increase rapidly, he pointed out, if the present practice of accepting business without medical examination is followed, and asserts that the companies contesting such claims must prove intent to defraud, which they may find it hard to do when they are willing to issue a policy with so little regard for sound insurance principles. He said he thought the insurance commissioners of the various states should fight the practice of dispensing with the medical examiner.

the initial policy of this character in his agency amounted to \$400,000, but it has grown to over \$5,000,000. Group has demonstrated two indirect attributes: It has been attractive to agents, and it has reduced sales resistance. Frequent unsolicited requests have come from group certificate-holders for additional protection.

Furnishes Many Leads

It is not infrequent that ordinary producers are in a slump. When this occurs, their production is stimulated by giving them cards on discontinued certificates for conversion. From this source alone a substantial amount of insurance is written each month. Thus group has been found to maintain the agency production and its forces as well.

Comparatively few companies write group insurance. Consequently this contract attracts brokers and agents of other companies. The result has been that more and more outside men have offered business to the Aetna.

Jay E. Johnson is chairman of the new insurance committee of the Chamber of Commerce-Commercial Club of Salt Lake City, Utah. Other members of the committee are George J. Cannon, A. H. Emmison, W. E. McKell and P. J. Puresell. All are well known in the city's life, fire and casualty circles.

SK HO

BACKED

Head of
Life and

KANSAS
Charles L. S.
ate for the
Association,
al reasons.
Underwriters
not nominate

KANSAS
The Kansas
Association is e
of Charles L.
National Ass
convention h
ive commit
as voted un
Scott's nam
Scott is ma
Mutual and
men and per
ry. The Ka
Association
to carry out
better than

The Kan
presentation
"Kansas
gram for th
the increas
which it be
It is willin
underwriter
tension to
cause only
can its full
local under

Fe
The out
gram are:
stressing c
urance bu
follow-up v
ications un
tional asso
supplement
to make th
all parts o
ration of
companies,
publication
"Kansas
senting th
been endo
presidency
His name
is the ag
chusetts

NEW
among mo
cation of
is crystal
Scott, of
dency of
tioning i
ing conve
the high
fact. Im
of Mr. S
of the K
Underwri
thustic
the accep
tional of
statement
men rega
loyalty to

During
tinent a
cerned in
organizat
the selec
ence for
who wh
thustiasm
which of

ASK HONOR FOR SCOTT BACKED BY STRONG MEN

Head of the Massachusetts Mutual Life and is Regarded as Seasoned Material

KANSAS CITY, MO., Sept. 25.—Charles L. Scott refuses to be a candidate for the presidency of the National Association, declining because of physical reasons. The Kansas City Life Underwriters have acquiesced and will not nominate him.

KANSAS CITY, MO., Sept. 24.—The Kansas City Life Underwriters Association is enthusiastic in the candidacy of Charles L. Scott for president of the National Association which will hold its convention here next week. The executive committee of the local association has voted unanimously to present Mr. Scott's name to the convention. Mr. Scott is manager of the Massachusetts Mutual and is one of the strong agency men and personal producers in the country. The Kansas City Life Underwriters Association feels that Mr. Scott is able to carry out the plans for development better than any other.

Kansas City Program

The Kansas City program and its presentation of Mr. Scott is as follows: "Kansas City has developed a program for the sale of life insurance and the increase of association activities which it believes should be nation-wide. It is willing to share it with all life underwriters, but is interested in its extension to all parts of the country because only as it is a national program can its full benefits be secured by the local underwriters.

Features of the Program

The outstanding features of this program are: Institutional advertising, stressing certain features of the life insurance business each month; intensive follow-up work done by the local associations under the direction of the National association; regional organization supplementing the national organization to make the campaign more effective in all parts of the nation, and the co-ordination of every life insurance force—companies, associations, agencies and publications—in carrying out the plans. "Kansas City will present as representing these ideals a man who has been endorsed as its candidate for the presidency of the national association. His name is Charles L. Scott, and he is the agency manager of the Massachusetts Mutual Life at Kansas City."

Scott in High Favor

NEW YORK, Sept. 24.—Sentiment among members of the National Association of Life Underwriters apparently is crystallizing in favor of Charles L. Scott, of Kansas City, for the presidency of the organization. The prediction is made that at the forthcoming convention Mr. Scott's election to the high office will be an accomplished fact. Impetus was given the candidacy of Mr. Scott through the recent action of the Kansas City Association Life Underwriters in unanimously and enthusiastically declaring in his favor, and the acceptance by members of the National organization generally of the statements made by the Kansas City men regarding his executive ability and loyalty to association ideals.

Want Seasoned Men

During the past year the drift of sentiment among those most vitally concerned in the success of the National organization movement has been toward the selection of men of seasoned experience for leadership, rather than of those, who while possessed of abundant enthusiasm yet lack the sober judgment which only comes with the years.

GOES OVER THOUSAND

J. A. WATERMAN IS PRESIDENT

New York Life's \$200,000 Club Now Has a Membership of 1,020—Big Writers Announced

The New York Life has announced the members of the \$200,000 Club for this year. The aim of the organization to have over 1,000 members has been achieved, the membership now being 1,020 with paid-for business of \$329,338,922 by club members. In 1897 there were 26 members. In 1921 there were 677 members who paid for \$209,558,667 insurance.

The president of the club this year is Joseph A. Waterman of New York City, who paid for \$2,714,800, having 266 applications. Harry Siegel of New York City is the first vice-president-at-large with a production of \$1,643,125. Next comes Mrs. Zara B. Rosen of New York City, with \$1,627,755. The New York Life characterizes Mrs. Rosen as "the queen of the life insurance business." She is not related to the late H. B. Rosen, who until his death was the star producer of the New York Life. Mrs. Rosen was a grandmother at 42. She has a chauffeur at her door every morning at 8:30 and starts out soliciting. John R. Hall of New York City is the next vice-president, he having produced \$1,594,500. He is a graduate of Yale and was in the banking business before he went with the New York Life. Alex Dumas of New York is next with \$1,579,368. I. S. Kibrick of the New England branch follows with \$1,432,866.

Department Vice-Presidents

The vice-presidents of departments are announced. Abraham Seff is leading vice-president in the greater New York department with \$1,331,125. Isidore Spiegel, vice-president of the eastern department in New York, wrote \$804,695. Chris A. Allen is vice-president of the northeastern department, he being attached to New Hampshire, his record being \$1,040,901. Baer Horvitz of the Pittsburgh branch is vice-president of the Atlanta department, his record being \$1,391,000. G. E. Thompson, vice-president of the great middle department, being attached to the Detroit branch, his record being \$867,000. M. C. Salassa, vice-president of the southern department, being attached to the Charlotte branch, his record being \$1,296,361.

Meyers Heads Central Branch

H. G. Meyers, of Chicago, is vice-president of the central department, his record being \$861,920. Earl M. LaPlant is vice-president of the northwest department, attached to Wisconsin, his record being \$566,500. A. T. Jarvis, with a record of \$1,112,500, is vice-president of the gulf department, he being located at Nashville. T. T. Gaddy is vice-president of the southwestern department, being attached to the Oklahoma branch, his record being \$674,672. Miss G. R. Wasserman is vice-president of the western department, being located in Oregon, her record being \$1,006,823. J. P. Mendonca is vice-president of the Pacific department, being located in the Stockton branch, his record being \$900,166.

There are 43 women in the \$200,000 Club, Mrs. Rosen leading with \$1,627,755. Miss Wasserman of Oregon is next with \$1,006,823. Mrs. Gertrude Brandwein of New York City came third with \$620,280, and Mrs. Ellen C. Paine of Maine was next with \$575,872. Mrs. Lucille H. Owings of Memphis was fifth with \$449,959.

Life Agency Officers To Meet

The Association of Life Agency Officers will hold its ninth annual meeting at Chicago Nov. 17-18.



HOME OFFICE
F. & M. BANK BUILDING

Builders

Our principal strong point is the will to give a service which will be appreciated by our own staff and respected by others.

Operating in the great State of Texas, the Home Office is able to render a type of personal service to Agents that is unbeatable. Writing all modern policy forms, the Company offers choice territory to Agents of ability.

"Conscientious Co-operation given Ambitious men, with or without previous experience."

Southern Union Life

OF

FORT WORTH, TEXAS

J. L. Mistrot
President

Tom Poynor
Vice-President



MINNESOTA and NEBRASKA

Unusually attractive General Agency contracts, direct with the Home Office, are now available in Minnesota and Nebraska.

Non-participating life, group, salary deduction and accident and health insurance.

The Company showed a gain of over 50% in insurance in force last year, its twelfth year. There is a reason.

Write

GEM CITY LIFE INSURANCE COMPANY

I. A. MORRISSETT, VICE PRES.

DAYTON,

OHIO

Connecticut General News Hartford, Conn.

Brokers' Outline of Group Insurance

We have prepared an Outline of Group Insurance for the use of brokers and agents of companies which do not write this form of insurance.

This contains all the technical information needed to make a start in this worth while specialty.

If you have not already received a copy, get in touch with our local agency at once, or write to the Home Office in Hartford. Promotional literature also supplied.



OUR NINETIETH BIRTHDAY

Ninety years ago, April 1, 1835, Massachusetts chartered the New England Mutual. This is the oldest Charter now existing.

The granting of this Charter had a vast significance, for it introduced a New Idea, which cleared the way for the present growth of Life Insurance.

THAT IDEA WAS MUTUALITY

New England Mutual Life Insurance Company of Boston, Massachusetts

Fieldmen Profit by This

IN 1924 The Guardian's Prospect Bureau yielded an average profit to fieldmen of 600% in commissions over their investment. In some sections it ran as high as 3000%.

The Prospect Bureau is one reason why a good many of the better producers are casting their lot with us. One newcomer, a general agent, brought with him an agency organization of nearly three hundred men.

Let us tell you the whole story of what The Guardian is doing to better the fieldman's success. Address,

T. LOUIS HANSEN, Vice-President

THE GUARDIAN LIFE INSURANCE COMPANY OF AMERICA

Founded 1868 under the Laws of the State of New York

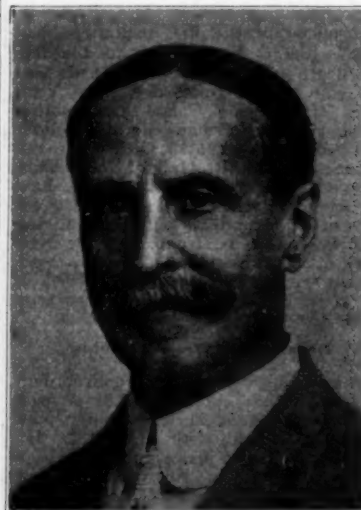
50 UNION SQUARE, NEW YORK

BISHOP NOW RETIRING

PROMINENT IN THE BUSINESS

Has Served the Massachusetts Mutual Life as Manager in Chicago for Many Years

L. Brackett Bishop, of Chicago, who has been in charge of the Chicago general agency of the Massachusetts Mutual Life for 28 years, is retiring from the general agency ranks on his own request at the end of this year. The Bishop general agency will be consolidated with the Bokum & Dingle general agency. Mr. and Mrs. Bishop have been abroad since June and returned home last week. Mr. Bishop will continue with the company looking after his renewals and doing some personal work. He has been continuously with the Massachusetts Mutual Life for 36 years. He is the oldest Chicago general agent in point of continuous service with one company. He has been an outstanding



L. BRACKETT BISHOP

figure in life insurance circles. He will devote much of his time to travel and recreation.

Prominent in Outside Activities

Mr. Bishop is a native of Boston. He has not only been prominent in life insurance but has taken an active part in many outside organizations. He is an ex-president of the New England Society and former director of the Y. M. C. A., former treasurer of the Mayflower Association, vice-president of the Mount Hope Cemetery Association, director of the Central Howard Association. He also has some valuable real estate in Florida. Mr. and Mrs. Bishop presented a bronze bust of Swedenborg to Chicago which was dedicated and placed in Lincoln park.

Prominent in Association Work

There are only three managers in the Massachusetts Mutual who have served as long as Mr. Bishop. He has been one of the conspicuous members of the Chicago Life Underwriters Association and served as its president. Later he was elected president of the National Association of Life Underwriters and in that capacity became well known throughout the country. Mr. Bishop has devoted a great deal of time to personal production and he has also been a great success as an agency head. He built up a strong producing machine and put the Massachusetts Mutual Life on the map in Chicago.

Mr. Bishop stated this week that if he were to live his life over again, he would enter the life insurance business. He has a high regard for the Massachusetts Mutual and its officers. Superintendent of Agencies Joseph Behan is in Chicago this week.

HOLD ANNUAL SESSION

PROVIDENT L. & A. MEETING

Agents Gather at Signal Mountain and Organize New Clubs for Production

CHATTANOOGA, TENN., Sept. 21.—The thirty-eighth annual agency convention of the Provident Life and Accident, held at the Signal Mountain Hotel here Sept. 17-19, was the most successful the company has ever had, both from the standpoint of enthusiasm aroused among the agents and actual results in the way of concrete plans for securing new business.

Holcombe's Address

In addition to the constructive programs for the departmental meetings, arranged by the various agency managers, the agents were also privileged to hear some sales advice from John Marshall Holcombe, Jr., manager of the Life Insurance Sales Research Bureau. Mr. Holcombe not only addressed the general session, but the life department meeting also.

New Clubs Organized

Most of the agents present were those who qualified for the trip by producing and paying for enough business to entitle them to membership in the Provident Club or the Maclellan Circle, both of which were formally organized for the first time on the occasion of this gathering. For the Provident Club, it was necessary to produce and pay for \$100,000 of life insurance or \$3,600 in health and accident insurance premiums during the club year, running from Aug. 1 to July 31. Fifty-six agents qualified for this club. To get into the Maclellan Circle, it was necessary to produce and pay for \$200,000 of life insurance or \$7,200 of accident and health premiums. Personal production only was counted. Eleven agents were admitted to the Maclellan Circle. Both Provident Club members and Maclellan Circle members were awarded certificates of membership and gold pins. Members of the Provident Club had all their expenses to the convention paid and Maclellan Circle members had both their own and their wives' expenses paid.

Officers of Clubs

Officers for the Provident Club for the ensuing year were elected during the convention and these are as follows: R. E. Smith, Bluefield, W. Va., president; W. M. McDowell, Asheville, N. C., vice-president for the Railroad department; George McCormick, Dallas, Texas, vice-president for the Life department; K. B. Albert, Reading, Pa., vice-president for the Commercial and Monthly Premium departments; W. J. Ward, Ashland, Ky., vice-president for the Pay-Order department, and Harvey E. Hall, Charlottesville, Va., vice-president for the Automobile Accident department.

Improvement Prizes Given

A feature of the banquet was the awarding of \$50 prizes to the men in the various departments who showed the greatest amount of self-improvement during the year. This prize was originally suggested by Paul J. Kruesi, one of the directors of the company, to stimulate personal effort among the men in the field and make a prize within the reach of any man, regardless of the size of his territory. The directors thought so well of it that they decided to give a similar prize for each department of the company. The prizes were handed out at the banquet by Mr. Kruesi as follows: I. E. Cooper, Newport, Tenn., for the Pay-Order department; George McCormick, Dallas, Texas, for the Life department; Harvey E. Hall, Charlottesville, Va., for the Automobile Accident department; R. F. Williams, Greenville, Alabama, for the Commercial and Monthly Premium departments, and Holden O'Gwyn, of Meridian, Miss.

MEASURES OF SERVICE

NEW YORK LIFE INSURANCE COMPANY

Non-Forfeiture Options

IN OUR SECOND MEASURE OF SERVICE attention was called to the fact that in every whole life or endowment policy there is a *Savings Element*. This Savings Element in New York Life policies is carefully protected against loss by discontinuance of payment of premiums, after a certain number of premiums have been paid. Non-forfeiture provisions in policies as now issued provide for (1) paid-up insurance for a reduced amount payable at the same time as the original insurance, or (2) for term insurance for the face of the policy during a limited period. For the first—application must be made within three months after default in payment of premium; in case no application is made, the second becomes effective automatically. The Savings Element cannot, therefore, be lost by inability to continue the payment of premiums after a certain number have been paid, nor by forgetfulness or neglect.

These provisions are effective after three full years' premiums have been paid upon life policies, and after two full years' premiums have been paid upon most forms of endowment policies.

THE NEW YORK LIFE A PIONEER IN THE INTRODUCTION OF NON-FORFEITURE PROVISIONS

Until 1860 no American life company doing a general business issued policies with non-forfeiture provisions. At a meeting of the Life Underwriters' Convention held in May, 1860, the subject was discussed at considerable length. It was found that every company but one paid surrender values, either in cash or paid up insurance, after about the fifth year, *provided the policies were surrendered before lapse*. A committee to which the subject was referred reported against any definite contract on the subject.

On June 13 following, the Trustees of the New York Life authorized the issue of 10-payment life policies with non-forfeiture provisions, and the first of such policies was issued on August 13. The Company's action on this subject preceded the enactment of the first non-forfeiture law—that of Massachusetts—by about eight months.

The following examples illustrate the working of New York Life non-forfeiture provisions under policies as now issued.

Under an Ordinary Life policy issued on a life aged 35, the paid-up insurance after three years' premiums have been paid is \$73 per \$1,000 or the insurance for \$1,000 is automatically extended for 3 years and 217 days. After ten years' premiums are paid the paid-up insurance is \$290 per \$1,000, or the insurance is automatically extended for 13 years and 21 days. Under a 20-year endowment policy upon which ten years' premiums have been paid the paid-up endowment is \$539 per \$1,000, or under the term extension option the insurance for \$1,000 is extended to the end of the endowment period, at which time a cash endowment of \$460 is paid if the insured is still living.

Can the New York Life serve you under a contract with these provisions?

NOT A COMMODITY—BUT A SERVICE

DARWIN P. KINGSLEY, *President*



PAYROLL DEDUCTION

We Write Payroll Deduction

BECAUSE it benefits wage-earner and employer and opens a new field for business.

Payroll Deduction is only one of many special features embodied in complete West Coast Service.

WEST COAST LIFE
INSURANCE COMPANY
HOME OFFICE - SAN FRANCISCO

The only company on the Coast carrying Group Insurance

NO-3

Satisfaction

There is a sense of satisfaction in representing a Company which has long been known as the "Policyholders' Company" because of satisfactory service to its members for a period of eighty years.

The Mutual Benefit Life Insurance Co.

Organized 1845

Newark, N. J.

AMERICAN NATIONAL INSURANCE COMPANY

of
Galveston, Texas

W. L. Moody, Jr.
President

Shearn Moody
Vice-President

W. J. Shaw
Secretary

Substantial increases every year

Ordinary and Industrial
Life Insurance In Force

June 30th, 1925
\$269,479,554.00

ASSETS
\$21,606,568.43

Good Territory in Twenty-Three States,
the Republic of Cuba and Hawaii

IS THE NATIONAL ASSOCIATION CONSISTENT IN ITS POSITION?

In the "Eastern Underwriter" of Sept. 11, appear statements from two prominent members of the National Life Underwriters Association, who are committed to the association's publishing and book selling policy, commenting on the "open letter" published in THE NATIONAL UNDERWRITER three weeks ago. Franklin W. Ganse, of Boston, says:

"Does the National association's course in this matter constitute rebating? I do not think so and believe Mr. Wohlgenuth's statement should have been backed up by more argument at this point."

J. Stanley Edwards' Views

J. Stanley Edwards, of Denver, says: "I believe the National association performs service in the life insurance business in distributing meritorious life insurance publications. The National association is organized not for profit."

But he goes on: "The small membership dues are not sufficient to carry on its work without the profits from publications; hence, the necessity for a publication department."

Does not Mr. Edwards admit in the latter statement that the association's publishing department is conducted for profit?

Parallel Case Is Seen

As to Mr. Ganse's opinion that the National association's action in collecting commissions on the publications to which it gives its official endorsement

is not rebating, it is not necessary for the publishers to make any argument of their own on this point. The National association itself has officially expressed its attitude in an identical case, that of Princeton University, at the Los Angeles national convention. Here was a parallel case in every particular. Observe how different is the attitude of the National association "when its own ox is gored." One of the most surprising things which THE NATIONAL UNDERWRITER has met with in taking up this matter has been to find how some of the outspoken leaders of the National association movement have completely reversed themselves in all their theories when they have discussed the publishing business, as distinguished from the life business.

All any fair-minded member of the National association needs to do to understand the contentions of the publishers is to read the subjoined article, reprinted from one of the Convention Daily Issues of THE NATIONAL UNDERWRITER, last year, reporting the Los Angeles convention. It will be noted that J. Stanley Edwards was one of the members of the committee on this matter. Mr. Edwards is one of the men who takes the position that the association "needs the money."

Surely, if the National association wishes to wield any great influence it must be consistent, and accord to others the same privileges and rights which it asks for itself and its members. The Princeton article follows:

Protest Princeton Plan for Giving Commission to Employee

AT THE meeting of the executive committee Monday night it was decided, after a spirited discussion, to appoint a committee of three to protest to the various life insurance companies and insurance commissions against the plan of the memorial committee of Princeton University for having life insurance on the members of the present graduating class and those of future years placed through the secretary of the Graduate Council. The committee appointed consisted of J. Stanley Edwards, Paul Clark and William Goldwin. The committee was instructed to prepare a resolution and present the results of its deliberation before the convention proper.

Propose to Have Members of Committee as Agent

The Princeton proposition came up several months ago, when letters were sent out to all life companies operating in New Jersey, stating that the memorial committee was seeking estimates on \$100,000 20-year endowment insurance and that a member of the memorial committee be permitted to act as agent, so that the commissions might be turned over to the committee as a sinking fund to meet possible shortages.

The plan was to alternate between six or seven old line companies. Gordon Sikes, employed in the office of the secretary of the Graduate Council, was appointed agent and placed the insurance for this year with the New York Life. The matter was brought to the attention of President Graham C. Wells, and Mr. Wells thereupon sent the following vigorous letter to the chairman of the graduate council of Princeton University:

Wells' Vigorous Letter to Graduate Council

"The action of the Graduate Council, published in the 'Princeton Alumni Weekly' of May 28, 1924, makes public

a matter that life underwriters cannot ignore. In effect, it is at best a sharp plan of a great university to evade, and not violate the rebate laws that exist in almost every state. Whether an actual violation of the laws of New York or New Jersey, or whether it violates only the spirit, life underwriters, I am sure, can not ignore the conduct of a great university which, if unchecked, will undoubtedly spread to other colleges, in teaching hundreds if not thousands of the college youth of the country a sharp shrewd way of evading not only business ethics but law.

"I am sure Princeton would not consider appointing someone to receive, in lieu of his salary, architect's fees that rightly belong to the architect; a 'rake-off' on goods purchased, even where no law is involved. You will remember that some of the most prominent people in the insurance business during the Hughes investigation suffered for their violation of this law.

Would Make Rebate Laws Dead Letter

"The life underwriters of this country have labored for years to establish one price in the sale of life insurance and the point that commissions paid the underwriter are for a service rendered and not a 'rake-off' or graft that can be transferred directly or indirectly to another. I am sure that the graduate council has not rightly apprehended the result of this action. If Princeton can, in effect, use the commissions on life insurance purchased for its own benefit to save the salary of its employee, any business concern can do the same thing; and the practice that has gradually been weeded out of business of permitting corporations to secure the commissions on business indirectly can make rebate laws a dead letter. It is too much to ask underwriters to permit such a condition to spread.

"The amount involved is comparatively trifling, but the principle is of



Paul Hawkins

We are developing Ohio



Karl Gumm

Ohio is the latest state to be entered actively by the Peoria Life Insurance Company. Already it ranks with the oldest and most productive territory of the Company. The reasons are easy to find:

Ohio is a fine life insurance state, with its great wealth and population, diversified industries, prosperous cities, and progressive rural communities.

Paul Hawkins and Karl Gumm, in charge of Ohio for the Peoria Life, are likeable, capable fellows with unusually fine records in agency-building and developing successful agents. Peoria Life Agents in Ohio are working hand in hand with men who know their problems and offer them the maximum of practical cooperation.

Peoria Life Service makes enthusiastic friends and brings the same big results in Ohio as elsewhere. Of special interest is the Substandard Department, which issues a saleable policy on every application. Through this department, Messrs. Hawkins and Gumm are prepared to render complete service on brokerage business, with prompt and liberal action on impaired as well as standard risks.

Peoria Life Insurance Company

Peoria, Illinois

WHY TAKE A CHANCE?

YOUR RENEWALS are equal to the interest income on an investment of the sum of all the first year premiums on the business you write. If you were making an investment of this amount you would be very careful about the security. You wouldn't want some one ahead of you with a prior claim.

IF YOU LOSE YOUR RENEWALS IT MEANS THE SAME THING TO YOU AS LOSING THE PRINCIPAL WHICH WOULD PRODUCE YOUR RENEWAL INCOME.

YOU CAN'T AFFORD IT!

The Columbus Mutual Life Insurance Company offers a VESTED RENEWAL CONTRACT, DIRECT with the Home Office. Also liberal commissions, automatic increases for volume, unrestricted territory, unlimited opportunity to develop personal or agency production, free from jealous interference or hampering restrictions.

PERFECTED ENDOWMENTS are automatically, Ordinary Life if you die; optionally, Limited Payment Life if you live; guaranteed endowments at age 65.

The Columbus Mutual Life Insurance Company

580 E. Broad St.

Columbus, Ohio

C. W. Brandon, President

D. E. Ball, Vice-President and Secy.

¶ If your present opportunities in the life insurance business are limited to personal production, our agency contract will interest you. It offers better than general agency opportunities, vested renewals and low cost insurance.

¶ Exceptional opportunities are open in Minnesota and Ohio and a few in Wisconsin.

¶ Check up our record.

Gardian Life
Insurance Company
Home Office, Madison, Wis.

the utmost importance, particularly in view of its wide publication. Is it not possible to avoid the criticism of the 100,000 life underwriters of the country of this action, and am I not right in believing that the matter with its consequences could not have been thoroughly considered by the graduate council?"

Letter Also Sent to New Jersey Commissioner

Mr. Wells also sent a copy of this letter to Commissioner Maxson of New Jersey, calling his attention to the fact that Sikes has been receiving a salary from Princeton University, but under the new contract, received a commission on the life insurance in lieu of salary. In other words, Princeton University, which is the beneficiary of the life insurance, is also, in effect, to receive the commission on the insurance. The letter points out that such an arrangement, if not a direct violation of the statute, is certainly a violation of the spirit of the insurance laws of the state.

Graham Wells' Comment

If the reader will substitute "insurance publishers" for "life underwriters," or the equivalent term, he will have the case in a nut shell. Here was a most worthy purpose. The plea made was that an exception be made in this single case of the memorial committee of the graduate council of a great university. The thing was done in an open and honorable manner, and all companies were advised. Graham Wells, chairman of the executive committee of the National association, in his letter, said that the plan is "in effect" at best a sharp plan of a great university to evade, if not violate, the rebate laws that exist in almost every state. He said: "If Princeton can, in effect, use the commissions on life insurance purchased for its own benefit to save the salary of its employe, any business concern can do the same thing. The practice that has been gradually weeded out of business of permitting corporations to secure the commissions on business indirectly can make rebate laws a dead letter. It is too much to ask underwriters to permit such a condition to spread."

Getting Into Publishing

What the National association is now trying to do is to let these conditions spread all over the life insurance world. One of the company organizations is starting to do the same thing with the companies, and give them the benefit of a "rebate." The publishers must defend themselves.

There is no danger that enough books and services will not be published on life insurance subjects. The National association can help in the spread of education, but when it is in the business for profit, its efforts are defeated and it does more harm than good. The regular publishers have no objection to Harper & Bros. or any other outside publishers entering the life insurance field, but they most strenuously object to their entering the life insurance field through the National association in competition with themselves. Let the outside publishers stand on their own feet, the way the regular publishers have to do.

Situation Is Exaggerated

When the National association takes credit for having done most of the work of bringing good publications into the market, it is greatly exaggerating the situation. Surely that was not the purpose of giving the official endorsement and placing on sale through the association of the Insurance Research & Review Service, a publication already well established and able to hold its own in competition with other services. Why should the National association "butt in" and range itself on the side of one or the other of services in this already well cultivated field?

The article quoted above on the Princeton matter was followed up by the official adoption by the association of the committee's report. A committee

was promptly sent down to the home office of the New York Life and that company was told in no uncertain terms where to "head in." The association is on record itself to the effect that this would be a violation of the anti-rebate laws of the several states, therefore that it should properly be considered a rebate. It is interesting to note that the association takes exactly the stand which the insurance publishers do in calling attention to the assistance which the life underwriters of the country have rendered in the fact that they have assisted the universities in financial campaigns, just as the insurance publishers have assisted in the campaigns of the National association. As referred to elsewhere, THE NATIONAL UNDERWRITER, for one, stands ready to make a substantial donation to defray the expenses of the head office of the National association, provided it will cease accepting commissions in the sale of books recommended by it.

Resolution as to Princeton

The following is the resolution referred to, adopted at Thursday's session at Los Angeles:

"The National Association of Life Underwriters recognizes and approves the ever widening service of its members to the colleges and universities of the country in offering to these institutions practical help in the solution of their financial problems by means of endowment funds through life insurance."

"The creation and maintenance of college endowment funds by means of individual gifts, through class organizations or alumni efforts, are factors of great importance to our educational institutions."

"A satisfactory service of this kind can only continue or be enlarged upon the basis of mutual understanding and complete cooperation between our institutions of learning and life underwriters."

"It has, however, come to the attention of the National Association of Life Underwriters, representing the agency forces of America, that in a few instances, notably at Princeton University, class organizations have undertaken to place contracts of insurance upon their class members, payable to the university by arranging to have a member of the class or an employee of the university act as agent, both for the insuring company and for the beneficiary."

"Such methods are contrary to sound underwriting practices and are an evasion if not a violation of the insurance laws of many states. Therefore, the National Association of Life Underwriters in thirty-fifth annual convention assembled, vigorously protests against such practices."

Have Helped the Colleges

"We also point out to those interested in the future welfare of our colleges and universities that qualified underwriters throughout the United States stand ready to assist in their financial campaigns, but that if unethical or illegal methods are attempted through lack of information or otherwise, such action may alienate the interest of the great body of life underwriters in the service they stand ready to perform."

"We desire further to call the attention of company executives, who are vitally interested in building agency organizations, and of insurance commissioners charged with the enforcement of law, that the continuance of such unsound underwriting practices will tend towards the disruption of agency forces and a widening disregard of law enforcement. Many college students will go out with a false conception of business practice and ethics. The National Association of Life Underwriters does not approve the acceptance on the part of life insurance companies of business so secured."

Connecticut Mutual's Street Parade

HARTFORD, CONN., Sept. 21.—Thirty automobile trucks carrying approximately 400 kinds of structural steel arrived in this city yesterday. This was probably the largest shipment of steel coming into Hartford at any time and is intended for use in the construction of the Connecticut Mutual Life's new building. The new structure will be located at 140 Garden street. It will be five stories high in the rear and four stories in the front.



Contact

Every International Life agent likes the way his affairs are handled at the home office. There is nothing impersonal in the relationship between home office and field men. Every problem that comes up—every request that is received is handled with dispatch. Every problem is carefully thought out—every request is understandingly considered and Bill or Jack gets his always just solution with the least possible delay. There is no red tape.

This personal contact has sold many men on the International Life. Working with a company under such pleasant circumstances makes for greater production and resultant satisfaction.

One of the "Whys" of International Life Success

Fastest Growing Company
in the Mississippi Valley

International Life Insurance Co.

St. Louis, Missouri

W. K. WHITFIELD, President

DAVID W. HILL, Vice-President

W. F. GRANTGES, Vice-Pres. and Gen'l Mgr. Agents

ACACIA MUTUAL CONVENTION

Delegates From 35 States Hear President Montgomery Tell of Company's Growth Since 1921

DENVER, COLO., Sept. 23.—One hundred and fifty delegates from 35 states were present at the convention of the Acacia Mutual Life of Washington, D. C., which was held at Colorado Springs three days last week. President William Montgomery opened the convention with a sketch of the growth and development of the company in the last three years.

Increase in Business

"At our last convention in Atlantic City in 1922," he said, "reports showed that the company had done a business of \$100,000,000 in 1921. This volume has been doubled since, and now we have issued \$200,000,000 insurance to approximately 100,000 Masons in the United States. Our assets have been increased to more than \$15,000,000."

Other speakers on the program were S. R. Bowman, Pacific coast supervisor; Roy F. Waring, field secretary; J. Claude Keiper, grand secretary, and H. C. Hawkins, manager of New Martinsville branch.

MANY INSURANCE LIBRARIES

Survey by Special Association Shows That at Least Twenty-seven Companies Maintain Collections

At least 27 American insurance companies maintain special collections of books and research materials, according to the second nation-wide survey of business libraries recently completed by the National Special Libraries Association. Insurance libraries are found in the life, fire and casualty companies in Atlanta, Baltimore, Boston, Chicago, Hartford, Los Angeles, Montpelier, Newark, New York and Philadelphia.

Companies Maintaining Libraries

Among the companies maintaining insurance libraries are the Travelers, National Fire, Aetna Life, Equitable Life, Fidelity Mutual Life, Metropolitan Life, Mutual Benefit Life, New York Life, Pacific Mutual Life, Phoenix Mutual Life, Provident Mutual Life and Prudential. Libraries are also maintained by local insurance societies such as the Insurance Society of New York. Boston maintains a special Insurance Library Association, the librarian of which Daniel N. Handy is president of the Special Libraries Association.

PREPARING TO SELL POLICIES

Aetna Life Man Says Canvass Should Be Prepared in Advance for New Agents

One of the leading methods of introducing the agent to the art of soliciting life insurance is through the avenue of selling accident and health policies. Thomas A. Keith of the Aetna Life in addressing the General Agents' Conference at Poland Springs, stated that his experience in training new men had shown its value.

Three Principal Questions

He has found that new salesmen had three questions uppermost in their mind, which are: How to approach the prospect, how to lay the proposition before him, and how to close the sale.

As a preliminary to the answer to these questions, the agent must study and keep in the mind the average prospect, the average agent and the condition under which sales are made. After a thorough canvass has been worked out, and the policies to be sold, studied and understood, the agent is ready for his work. According to Mr. Keith, he is now in the position of the fighter who has trained to fight twenty rounds—he is prepared to go the distance. It will often be found, as with the pugilist, that the end desired by the salesman will be attained before he has completed his complete canvass, though he must be prepared.

Better Entree Than Life

The advantage of selling accident and health insurance as an experience and as an entree to life insurance work is the fact that men are more approachable on the former types of coverage.

CONTINENTAL AGENTS MEET

Convention of Chicago Company's Leading Producers Is to Be Held at the Home Office

The Continental Assurance of Chicago will hold its annual agency convention at the home office Oct. 1-3, with an attendance of about 60 of the leading producers. The meeting will open at noon Friday with a luncheon at the Congress hotel. In the afternoon John Cronin, secretary of the General Agents and Managers Association, will make the keynote speech on "Abreast of the Times." Other speakers are Roy L. Davis, Harry A. Gladstone, Dr. H. W. Dingman, medical director, and Allen Reager. After dinner at the Hotel La Salle, a theatre party will be provided for the visitors.

Plan Interesting Program

B. F. McClelland, president of the General Agents and Managers Association, will open the Friday morning session. Other speakers are Howard Archer, William Ford, Eugene Adams and Ray C. Addicks. After luncheon at the Illinois Athletic Club, H. A. Behrens, vice-president and general manager, will tell about the Continental. Other speakers are L. L. Johnson, W. E. Lord, Harry Burford and L. E. Brown, chief adjuster of the claim department.

At the banquet in the evening at the Congress hotel, C. M. Cartwright, managing editor of THE NATIONAL UNDERWRITER, will be the principal speaker. Eugene Adams will be toastmaster.

The program Saturday consists chiefly of recreational trips and an inspection of the home office of the company on Michigan boulevard.

GET WITH A LIVE COMPANY

That's progressive, full of pep and does things
for its Agents and Policyholders like the great

BANKERS LIFE COMPANY OF IOWA

The most popular company in the field today—with the fastest selling policies ever offered—and backed by an Agency force that's breaking all records.

FOR FULL TIME MEN WE OFFER—

- 1—Free Schooling starting soon.
- 2—Free Circularizing.
- 3—High grade premium notes handled.
- 4—Advances against commissions on high grade premium notes.
- 5—A Line of Special Estate and Income Contract Unsurpassed.
- 6—Rate Book illustrations that help you sell and sell big.
- 7—Preferred disability for professional men and executives that is written by no other Company.
- 8—Regular Disability and Double Indemnity.
- 9—Preferred Risk Rating and Class A, B and C Ratings.
- 10—Covering the entire field as no other Company covers it.
- 11—Monthly Saving plan for employees in groups of five or more.
- 12—Other helps such as no other Agency offers you and backed by a live General Agency Staff.
- 13—If you want to sell the best and most popular Estate Contracts in the Field—Join the Chicago "I WILL" Agency.

Brokerage Business Handled

De FOREST BOWMAN
AGENCY MANAGER

BANKERS LIFE COMPANY OF IOWA

80 E. Jackson Blvd.

Phone Harrison 8854

Suite 637-649

WHAT A NEW AGENT SHOULD KNOW

THE New York Life gives in compact form an answer that one of its agency directors made to a young agent who inquired of his superior how much must an agent know about life insurance before he can attempt to sell a policy. The young agent had made a couple of weeks' study of his supplies and was conscientious lest he might give some client the wrong data. The agency director said:

It is necessary for you to know three things:

First, that if your friend, William Jones, has a policy in force with your company and William Jones should die, his beneficiaries will get the money immediately.

Second, that if William Jones has no policy in force and should die, his beneficiaries would get nothing.

Third, that while everyone must die sometime, no one knows just when that time will come—nor does anyone know just when he will be unable to secure life insurance (15,872 were unable to do so in this company alone last year).

Those are the fundamental things you ought to know.

Then, you need to fill your mind so bursting full of these great truths that

you won't permit your friend or acquaintance to leave his loved ones unprotected for a single day, nor for a single minute, if you can help it.

Pursue this text from day to day with earnestness. It will bring you into contact with other questions that will certainly broaden and deepen your knowledge of life insurance and what it is doing for men and women everywhere. Look out, however, for one thing. Never let your knowledge of the details or incidentals of the business become so great as to obscure your clear vision of the three fundamental truths just enumerated. The question "Is William Jones protected by life insurance?" will always be of vastly greater importance than the question "What form of insurance does William Jones carry?"

Be assured, too, that wherever people "live and move and have their being" the number of men and women uninsured is so near inexhaustible that you'll never have any trouble on that score. Get that fact firmly fixed in your mind.

The agent acted promptly on these suggestions and quickly became a regular producer, and has never lost sight of the three things he ought to know in order to sell life insurance properly.

M. A. NATION, Pres.

Universal Life Insurance Company

Dubuque, Iowa

WE WANT GOOD MEN

September 23, 1925

JULY DEATHRATE LOW**BEST RECORD OF THE YEAR**

Metropolitan Life Reports Substantial
Reduction for Many Cases and
Especially in Heart Disease

NEW YORK, Sept. 23.—According to the report of the Metropolitan Life, the July death rate of the industrial population of the United States and Canada was more favorable than in any previous month of the year. The rate for July, 1925, was 8.1 per 1,000. In 1924 the figure for July was 8.6, and in 1923, 8.4. Heart disease, the leading cause of death, with a rate of 108 per 100,000 showed a marked reduction as compared with June and a slight decline from last year's July figures. The rate for cerebral hemorrhage and Bright's disease were also lower than in 1924.

The Metropolitan Life reports that tuberculosis rate was 95.6 per 100,000, which for the seventh successive month this year was lower than for the corresponding period of 1924. Unless there shall be an unexpected and sharp change in the tendency in the tuberculosis death rate before the end of 1925, the year will register a new minimum in the mortality from this disease. The situation for the principal epidemic diseases of childhood continues very favorable, the combined death rate showing a marked decline as compared with July of 1924.

Fewer Accidental Deaths

The number of deaths in July by accidental means showed a reduction as compared with July of 1924. There was a small decline reported for automobile fatalities, but little significance attaches to it. It is possibly only a transitory variation from what has happened in the rest of the year.

The general death rate for the large cities of the United States in July was 10.8 per 1,000, a marked improvement over the record for June. Only three diseases, malaria, poliomyelitis and typhoid fever, were more prevalent than in June. More or less important declines were recorded in diphtheria, influenza, measles, scarlet fever, smallpox and whooping cough.

Comparison With Preceding July

Compared with July, 1924, there was increased prevalence of poliomyelitis, typhoid fever and whooping cough, but there was less diphtheria, influenza, malaria, scarlet fever and smallpox. Smallpox was much less prevalent in July, especially in Alabama, Illinois, Texas, North Carolina and Wisconsin. There was increased prevalence of typhoid fever, compared with June, but such an increase is expected at this time of year.

PLANS FOR ANNUAL MEETING

Association of Life Agency Officers
Will Hold Its Convention in
Chicago in November

The ninth annual meeting of the Association of Life Agency Officers will be held Nov. 17-18 at the Edgewater Beach Hotel, Chicago. The general theme for discussion will be "The Work of the Home Office Agency Manager (Superintendent of Agencies) and His Assistants." Prominent executives will lead the discussions, and it is hoped that many valuable suggestions in regard to the problems of the agency manager may be brought out. The Tuesday afternoon session will be given over to the Life Insurance Sales Research Bureau—its place and possibilities in assisting the agency manager in the fulfillment of his duties. So much interest was shown last year in the discussion of the job of the junior agency official that the Tuesday morning session will be devoted wholly to a consideration of the problems of the assistant or junior agency manager.

Did You Read the Latest Report?

The recent Sales Research Bureau Report shows Texas as a top-notch for life insurance sales.

The Texas Agency led all other Lincoln National Life agencies for both written and paid for business for August.

Business is good in Texas. Billions of dollars are represented in the Texas farms, mines, oil wells, live stock, lumber and factories.

The dispatch with which policies are issued and delivered and the speed in conducting all Texas business places the Lincoln National Life Home Office "just across the street" from the salesmen who

LINK UP WITH THE LINCOLN

IN TEXAS

Address either

O. B. DOUGLAS, State Manager

608-14 Bedell Building

San Antonio, Texas

OR

The

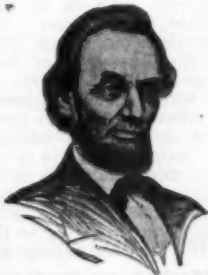
Lincoln National Life Insurance Company

"Its Name Indicates Its Character"

Lincoln Life Building

Fort Wayne, Ind.

More Than \$375,000,000 in Force



What Do You Sell?

Service, Company, or Policy

—which?

All three are important, of course. But to our mind the policy is especially so. If you agree that the actual contract itself is deserving of careful attention and comparison on the part of the agent, we invite you to consider seriously the United Life policy, "A Policy You Can Sell."

Any natural death.....\$ 5,000
Any accidental death..... 10,000
Certain accidental deaths..... 15,000
Accident Benefits \$50 per WEEK.
Also Disability Income, Waiver of Premiums, etc.

ALL IN ONE POLICY

If there is an opportunity open in your town, our Vice-President, Mr. Eugene E. Reed, will tell you all about it. Write him direct—and directly.

UNITED LIFE AND ACCIDENT INSURANCE COMPANY

Concord

New Hampshire

Inquire!



Satisfied Policyholders

More than 67% of all insurance written by this company since 1867 is still in force today. What better evidence could there be that policyholders appreciate the "golden rule" service of Iowa's Oldest Company?

Men desiring to become agents for a good, old line company will realize the advantage of a contract with this company of satisfied policyholders.

EQUITABLE LIFE INSURANCE COMPANY

Founded: 1867

OF IOWA

Home Office: Des Moines

We have openings in Ala., Ark., Del., D. C., Fla., Ga., Ill., Ia., Kans., Md., Mich., Minn., N. M., N. C., Okla., S. D., W. Va. and Wyo.

Our Agents Have

A Wider Field—

An Increased Opportunity

Because we have

Age Limits from 0 to 60.

Policies for substantial amounts (up to \$5,000) for Children on variety of Life and Endowment plans, thus enabling parents to buy all of the Family's insurance on the Ordinary, i. e. Annual, Semi-annual or quarterly premium plan.

Participating and Non-Participating Policies.

Same Rates for Males and Females.

Double Indemnity and Total and Permanent Disability features for Males and Females alike.

Standard and Substandard Risk Contracts, i. e. less work for nothing.

THE OLD COLONY LIFE INSURANCE COMPANY OF CHICAGO

B. R. NUESKE, President

BIG QUESTIONS BEFORE EXECUTIVE COMMITTEE

Session Preceding Life Underwriters' Convention to Be Important One

SOME PROGRAM CHANGES

Several Additional Speakers Announced

—Sessions to Start at 9 A. M.

Instead of 9:30

NEW YORK, Sept. 24.—The annual meeting of the executive committee of the National Association of Life Underwriters which will be held in Kansas City Monday morning, Sept. 28, the day preceding the opening of the regular annual convention, will have an unusual interest and be of exceptional importance in view of the important subjects which are coming up for consideration and action as indicated by Graham C. Wells of New York, past president of the National Association and chairman of the executive committee, in a recent interview.

Some of these subjects have grown out of the report of officers which will be presented at that time and some have grown out of investigations in the field and among local associations. Perhaps the dominant subject will be the answers to the question of what additional service the national can give the local associations to help strengthen them in their membership and in their activities.

Standardized By-Laws

In connection with this general subject there will come up consideration of some approach to standardized by-laws to meet the need of associations which are increasing their dues to members and giving a considerably increased service. The movement to set up state associations which is rapidly gaining ground will be discussed with a view of determining how the national can be of most help in that connection, some definite suggestions having already been made.

The proper method of developing a speakers' bureau is another subject with which is closely related the preparation by the national of a syllabus of suggestive meeting outlines for the use of local associations, prepared with the experience of successful associations both large and small being kept in mind.

Consider Sectional Meetings

For more than a year there has been considerable study given to the possibility of holding successful sectional meetings of the National Association, which would make possible the national officers and executive committeemen getting more closely together and in a more widely representative way than has been possible at any convention meeting or mid-year meeting of the executive committee in the past. An idea has been worked out which would call for the holding possibly of four sectional meetings in different parts of the country at which would be present the national officers as well as the representatives of the local associations included within that section. It is thought that these sectional meetings would give opportunity for more frequent meetings of the national trustees, which has become a necessity owing to the increased work that has been falling upon them.

Would Sound Dominant Note

It is known that a definite plan will be submitted at this meeting of the executive committee to determine in advance for the coming year one or two major subjects or planks in a platform to which the national body will commit

itself. There is a growing feeling that if the national will each year sound one or two dominant notes that all local associations will find their problems easier of solution because all are working to accomplish the same things at the same time, and will be able to have direct help from the National Association along those lines.

There is no doubt that many subjects will be suggested by the members of the executive committee and they are being asked in a letter by Chairman Wells to formulate their suggestions and send them to him prior to the meeting, if possible.

Some Subjects Suggested

Among those subjects which have been suggested are:

Make the Sesqui-Centennial Exposition at Philadelphia in 1926 useful to the institution of legal reserve life insurance.

Arrange for national publicity in regard to life insurance.

Stress conservation of life insurance in all phases, especially in increasing the persistency of contracts in force.

Effect closer cooperation with insurance departments and that of the Chamber of Commerce of the United States as is being so successfully done by the fine insurance interests.

It is at this meeting that the reports of the various officers and standing committees will be submitted and discussed, and there will be brought back reports by special committees appointed during the year on such matters as standardized dues, agency nomenclature, and cooperation with trust companies.

How to Get Everything In

Chairman Wells said: "As chairman of the executive committee I am having difficulty crowding into the time allotted for these Executive Committee meetings on September 28, the various matters which must have attention. This is the heaviest docket I ever remember in the Executive Committee and the matters are ones which are of vital interest to every local association as well as the National Association. I am therefore anticipating the largest executive committee attendance we have ever had. I will not be able to prepare my agenda finally until arrival in Kansas City because additional matters are being suggested to me by the representatives."

Program Almost Complete

William A. Searle, assistant to the president, who is now in Kansas City in complete preparations for the convention, announces that the session chairmen have been rapidly reporting in their changes before the program goes to the printers.

Jay E. Williams, president of the Seattle association, has been obtained by Chairman Frank L. Jones to lead the discussion on "College Endowment and Life Insurance," and will outline the methods employed by Seattle in handling the big Orthopaedic Hospital endowment. At the same session, Charles G. Taylor, assistant manager and actuary of the Association of Life Insurance Presidents, will speak on "Response of Life Insurance to Economic Changes."

Additional Speakers Announced

In the Wednesday morning program, it has been announced that Louis Uhlmann and George W. Ayars of Los Angeles, who wrote and staged "The Heart of the Estate" last year, will present "Thy Will Be Done"—a dramalet in three episodes.

Griffin M. Lovelace in charge of the agency building session on Wednesday evening announces: Russell L. Law, Oklahoma City, on "College Training Courses;" H. M. Holderness, superintendent of agencies, Connecticut Mutual, on "Correspondence Courses;" C. C. Day, Oklahoma City, on "Agency Training Courses;" H. P. Gravengard, manager sales training Aetna Life, on "Company Training Courses."

Session on Clientele

Vice-presidents Paul F. Clark and George Lackey, in charge of Thursday morning session on the "Value of a Clientele," have the following additions

changes in the previously published program:

"The Client—the Chief Asset of the Professional Man," R. R. Brewster, Kansas City.

"The Initial Duty of the Life Underwriter to His Client," Leo. E. Thomas, Detroit.

Leading discussions on "Insurance Needs for Family Protection," will be Henry Camp Harris, Dallas; Thomas Scott, Tulsa, Okla.; Isadore Samuels, Denver; C. R. Bigelow, Des Moines; E. E. Henderson, Los Angeles.

"Insurance Needs for Business and Credit Protection"—William M. Furey, Pittsburgh; Ernest J. Clark, Baltimore; Charles L. Scott, Kansas City; Edward A. Woods, Pittsburgh.

"Preparing Ground for Future Service to Clients," Ira Fischer, St. Louis, Mo.

"Survey of Clients' Needs," Sherwood S. Smith, St. Louis, Mo.

"Urging Making Wills and Trusts," Joseph W. White, Trust Officer, Mercantile Trust Company, St. Louis, Mo.

"Suggest Next Steps in Insurance Program," Chester O. Fischer, Peoria, Ill.

T. Norton of Toronto will represent the Life Underwriters of Canada.

Talks on Organization

In the Thursday afternoon session on Organizations, J. Stanley Edwards of Denver is to discuss President Clegg's talk on "What Service to Local Associations that National Has in Mind," and Frank L. Jones, president of the Indiana State Association, will discuss E. B. Hamlin's exposition of "Relative Functions of Local and State Associations." Bolling Sibley, Memphis, is to speak on "What a Managers' Association or Division Can Do."

The meeting of the nominating committee has been scheduled for Tuesday evening, but is expected to adjourn in such time as not to interfere with the entertainment provided at the Kansas City Life building that evening.

Start Sessions at 9 a. m.

Arrangements with the Orpheum theater, where the morning sessions are to be held, call for opening each morning at 9 o'clock instead of 9:30 as announced in the tentative program. This will automatically move all time schedules forward one-half hour.

Chairman Edward A. Woods and the members of his program committee have called a meeting of speakers and leaders and others scheduled on the program of the various sessions for Monday evening, Sept. 28, so that each session's chairman and those on his program may know just what is expected and how the program will be run off.

Word has been received that the representatives of the Illinois local associations are contemplating a luncheon meeting at which first steps will be taken toward the formulation of a state association. Chester O. Fischer of Peoria is acting chairman and has issued the call.

REV. DR. JENKINS ON PROGRAM

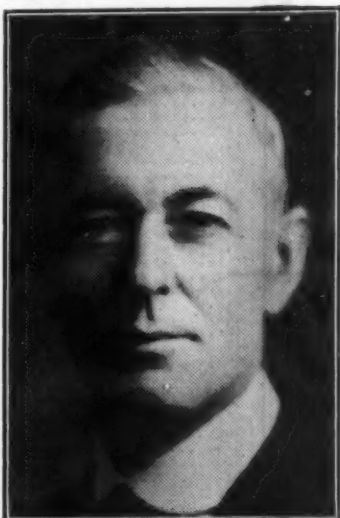
Kansas City Convention Will Offer Address by Former War Correspondent and Editor

PHILADELPHIA, PA., Sept. 23.—An additional speaker of national reputation has been engaged to address the convention of the National Association of Life Underwriters at Kansas City. He is the Rev. Dr. Burris A. Jenkins, author, war correspondent, former editor of the Kansas City "Post" and former president of the University of Kentucky. Dr. Jenkins has addressed some of the largest gatherings in the country. He is a ready speaker, most entertaining in anecdote and has frequently appeared on the same platform with Henry J. Allen, former governor of Kansas.

He is the first minister west of the Mississippi river who was ever elected as one of the five great ministers of America regardless of denomination.

Every month the agents of this Company write its advertisements.

Milt Wysong wrote this ad



MILT WYSONG

Mr. Wysong, the author of this ad, has been in the employ of the Peoples Life Insurance Company for a great number of years. The greater part of Mr. Wysong's life has been devoted to life insurance work and he has a varied experience with a number of different companies, ranging from local agent to manager. His loyalty to The Friendly Company is one of the things that has made the Peoples Life know that it is worth while to jealously guard their business slogan. Friendship such as his cannot be bought with dollars and cents.

My life insurance experience links up with some great and good companies; large, small, old and young.

By far the greater part of my time has been spent with the Peoples Life of Indiana. However, I spent enough time with other companies to learn what a wonderful, most unusual company the Peoples Life really is—from the agent's or policy holder's standpoint. They go the "second mile" with the policy holder always, and, if any Company ever used their agents better, or I will say, equally as good, I never learned of it.

No company offers more inducement to make good; no company has a higher grade of clean, christian, sociable business men at the helm. No company has for its agents a better or more complete line of policies than this Friendly Company.

They have been dubbed, "The Man Builders," and deservedly. They stand for the highest and the best always.

Peoples Life Insurance Company

"The Friendly Company"

Frankfort, Indiana

General agency opening in the following states:

Indiana	Illinois	Ohio	Michigan	Iowa
Tennessee	Arkansas	Texas	California	

The
Inter-Southern Life
Insurance Company
LOUISVILLE, KENTUCKY

JAMES R. DUFFIN, PRESIDENT

ENDEAVORS TO DEVELOP NEW BUSI-
NESS AND CONSERVE THE BUSINESS
ALREADY WRITTEN

By

1. Preparing booklets, circulars, etc., for selling new prospects.
2. Develop campaigns for the stimulation of new business and conserving business already written.
3. Prepare advertising material to supplement the effort of the Agents.
4. Supervise all Company letters, notices, and forms going to policy holders to maintain their good will.
5. Educate Agents to become specialists "Able to fit the policy to the need."

Individual or group

THE
INTER-SOUTHERN LIFE
INSURANCE COMPANY
LOUISVILLE, KENTUCKY
IS A GOOD COMPANY

And Good Men can find good contracts with this
Good Company.

**NEW RATES OF THE TRAVELERS SHOW
AVERAGE REDUCTION OF 2 PERCENT**

As a part of its new life insurance program, the Travelers has announced new rates on all its policies together with new disability provisions. The new rates for a number of the policies are given herewith. All will be published in full in THE NATIONAL UNDERWRITER.

**DIMINISHING PREMIUM
20 YEAR ENDOWMENT \$1,000
Without Disability Provision**

Age	1st-10th Years	11th-15th Years	16th-20th Years
16	\$51.29	\$29.40	\$13.24
17	51.32	29.42	13.25
18	51.35	29.45	13.27
19	51.38	29.47	13.27
20	51.42	29.49	13.28
21	51.46	29.52	13.29
22	51.51	29.55	13.31
23	51.56	29.58	13.33
24	51.62	29.62	13.34
25	51.67	29.65	13.36
26	51.74	29.69	13.38
27	51.82	29.74	13.40
28	51.89	29.79	13.43
29	51.98	29.84	13.46
30	52.07	29.90	13.49
31	52.18	29.97	13.52
32	52.28	30.04	13.56
33	52.40	30.12	13.60
34	52.55	30.21	13.64
35	52.70	30.31	13.69
36	52.95	30.46	13.78
37	53.23	30.63	13.87
38	53.53	30.81	13.97
39	53.83	31.01	14.07
40	54.16	31.23	14.19
41	54.53	31.48	14.32
42	54.95	31.76	14.47
43	55.40	32.07	14.62
44	55.90	32.41	14.80
45	56.46	32.78	14.99
46	57.08	33.19	15.21
47	57.77	33.66	15.45
48	58.52	34.17	15.71
49	59.36	34.73	16.00
50	60.27	35.36	16.33
51	61.27	36.04	16.68
52	62.37	36.78	17.08
53	63.56	37.85	17.48
54	64.85	38.44	17.91
55	66.27	39.40	18.40
56	67.81	40.42	18.92
57	69.46	41.53	19.48
58	71.29	42.74	20.09
59	73.26	44.07	20.74
60	75.38	45.52	21.46
61	79.05	48.08	23.07
62	82.38	50.21	24.17
63	86.00	52.53	25.37
64	89.94	55.07	26.68
65	94.20	57.85	28.12

**DIMINISHING PREMIUM
20 YEAR ENDOWMENT \$1,000
With Disability A**

Age	1st-10th Years	11th-15th Years	16th-20th Years
16	\$52.08	\$30.19	\$14.03
17	52.14	30.24	14.07
18	52.21	30.31	14.13
19	52.28	30.37	14.17
20	52.36	30.43	14.22
21	52.44	30.50	14.27
22	52.53	30.57	14.33
23	52.62	30.64	14.39
24	52.73	30.73	14.45
25	52.82	30.80	14.51
26	52.94	30.89	14.58
27	53.08	31.00	14.66
28	53.21	31.11	14.75
29	53.36	31.22	14.84
30	53.52	31.35	14.94
31	53.70	31.49	15.04
32	53.88	31.64	15.16
33	54.10	31.82	15.30
34	54.36	32.01	15.44
35	54.61	32.22	15.60
36	54.99	32.50	15.82
37	55.42	32.82	16.06
38	55.88	33.16	16.32
39	56.37	33.55	16.61
40	56.92	33.99	16.95
41	57.53	34.48	17.32
42	58.23	35.04	17.75
43	59.01	35.68	18.23
44	59.89	36.40	18.79
45	60.90	37.22	19.43
46	61.77	37.88	19.90
47	62.72	38.61	20.40
48	63.77	39.42	20.96
49	64.94	40.31	21.58
50	66.21	41.30	22.27
51	67.64	42.41	23.05
52	69.21	43.62	23.92
53	70.93	45.22	24.85
54	72.82	46.41	25.85
55	74.93	48.06	27.06
56	77.25	49.86	28.36
57	79.77	51.84	29.79
58	82.58	54.03	31.37
59	85.64	56.45	33.12
60	88.98	59.12	35.06

**DIMINISHING PREMIUM
20 YEAR ENDOWMENT \$1,000
With Disability C**

Age	1st-10th Years	11th-15th Years	16th-20th Years
16	\$51.46	\$29.57	\$13.41
17	51.49	29.59	13.42
18	51.53	29.63	13.45
19	51.57	29.66	13.46
20	51.61	29.68	13.47

Age	1st-10th Years	11th-15th Years	16th-20th Years
21	51.66	29.72	13.49
22	51.71	29.75	13.51
23	51.77	29.79	13.54
24	51.84	29.84	13.58
25	51.89	29.87	13.60
26	51.97	29.92	13.63
27	52.05	30.03	13.67
28	52.13	30.03	13.67
29	52.23	30.09	13.67
30	52.33	30.16	13.67
31	52.45	30.24	13.67
32	52.56	30.32	13.67
33	52.69	30.41	13.67
34	52.86	30.52	13.67
35	53.03	30.64	13.67
36	53.29	30.80	13.67
37	53.60	31.00	13.67
38	53.92	31.20	13.67
39	54.24	31.42	13.67
40	54.61	31.68	13.67
41	55.01	31.96	13.67
42	55.47	32.28	13.67
43	55.96	32.63	13.67
44	56.51	33.02	13.67
45	57.13	33.45	13.67
46	57.84	33.95	13.67
47	58.63	34.52	13.67
48	59.49	35.14	13.67
49	60.47	35.84	13.67
50	61.52	36.61	13.67
51	62.70	37.47	13.67
52	63.98	38.39	13.67
53	65.38	39.67	13.67
54	66.91	40.50	13.67
55	68.60	41.73	13.67
56	70.47	43.08	13.67
57	72.46	44.53	13.67
58	74.68	46.13	13.67
59	77.06	47.87	13.67
60	79.64	49.78	13.67

25 YEAR ENDOWMENT \$1,000

Age	Without Disability	With Disability A	With Disability C
16	\$29.98	\$30.85	\$30.17
17	30.02	30.92	30.23
18	30.07	31.02	30.30
19	30.10	31.09	30.36
20	30.15	31.19	30.42
21	30.19	31.28	30.47
22	30.25	31.38	30.53
23	30.30	31.49	30.59
24	30.36	31.60	30.65
25	30.42	31.72	30.71
26	30.50	31.83	30.77
27	30.59	32.03	30.85
28	30.69	32.21	30.93
29	30.81	32.41	31.02
30	30.95	32.64	31.12
31	31.11	32.91	31.24
32	31.29	33.20	31.36
33	31.49	33.54	31.48
34	31.67	33.87	31.61
35	31.87	34.24	31.75
36	32.17	34.74	31.90
37	32.48	35.27	32.05
38	32.83	35.90	32.20
39	33.22	36.60	32.35
40	33.64	37.38	32.50
41	34.12	38.06	32.65
42	34.66	38.80	32.80
43	35.25	39.61	32.95
44	35.91	40.50	33.10
45	36.62	41.44	33.25
46	37.42	42.50	33.40
47	38.32	43.68	33.55
48	39.29	44.95	33.70
49	40.37	46.36	33.85
50	41.56	47.91	34.00
51	43.10	49.87	34.15
52	44.71	51.94	34.30
53	46.50	54.26	34.45
54	48.46	56.80	34.60
55	50.61	59.60	34.75

25 YEAR ENDOWMENT

\$1,000 Initial Insurance

Premium Reduction First Year

Age	Without Disability	With Disability A	With Disability C
16	\$37.23	\$38.10	\$37.42
17	37.27	38.17	37.47
18	37.31	38.26	37.52
19	37.36	38.35	37.57
20	37.40	38.44	37.62
21	37.51	38.60	37.68
22	37.62	38.75	37.74
23	37.75	38.94	37.80
24	37.88	39.12	37.86
25	38.03	39.33	37.92
26	38.17	39.55	37.98
27	38.31	39.75	38.04
28	38.47	39.99	38.10
29	38.63	40.23	38.16
30	38.83	40.52	38.22
31	39.03	40.83	38.28
32	39.26	41.17	38.34
33	39.52	41.57	38.40
34	39.79	41.99	38.46
35	40.11	42.48	38.52
36	40.47	43.04	38.58
37	40.87	43.66	38.64
38	41.32	44.39	38.70
39	41.80	45.18	38.76
40	42.35	46.09	38.82
41	42.98	46.92	38.88
42	43.66	47.80	38.94
43	44.41	48.77	39.00
44	45.24	49.83	39.06
45	46.17	50.99	39.12
46	47.22	52.30	39.18
47	48.39	53.75	39.24
48	49.66	55.32	39.30
49	51.06	57.05	39.36
50	52.60	58.95	39.42
51	54.36	61.13	39.48

Age	With- out Disa- bility C	With Disa- bility A	With Disa- bility C
16	56.27	63.50	58.31
17	58.37	66.13	60.60
18	60.66	69.00	63.10
19	63.15	72.14	65.82

25 YEAR ENDOWMENT \$1,000

Age	With- out Disa- bility C	With Disa- bility A	With Disa- bility C
16	\$29.41	\$30.28	\$29.60
17	29.44	30.34	29.64
18	29.47	30.42	29.68
19	29.50	30.49	29.71
20	29.53	30.57	29.75
21	29.58	30.67	29.81
22	29.63	30.76	29.87
23	29.69	30.88	29.94
24	29.76	31.00	30.01
25	29.85	31.15	30.11
26	29.90	31.28	30.17
27	29.97	31.41	30.25
28	30.05	31.57	30.35
29	30.13	31.72	30.43
30	30.23	31.92	30.56
31	30.34	32.17	30.69
32	30.46	32.37	30.82
33	30.61	32.66	31.00
34	30.77	32.97	31.18
35	30.96	33.33	31.40
36	31.19	33.76	31.66
37	31.45	34.24	31.96
38	31.74	34.81	32.29
39	32.07	35.45	32.67
40	32.44	36.18	33.10
41	32.89	36.83	33.64
42	33.37	37.51	34.21
43	33.89	38.25	34.82
44	34.50	39.09	35.52
45	35.17	39.99	36.30
46	35.96	41.04	37.19
47	36.83	42.19	38.17
48	37.80	43.46	39.25
49	38.90	44.89	40.48
50	40.13	46.48	41.85
51	41.59	48.36	43.46
52	43.17	50.40	45.21
53	44.91	52.67	47.14
54	46.81	55.15	49.25
55	48.87	57.86	51.54

30 YEAR ENDOWMENT \$1,000

Age	With- out Disa- bility C	With Disa- bility A	With Disa- bility C
16	\$23.82	\$24.58	\$23.98
17	23.85	24.65	24.01
18	23.89	24.73	24.06
19	23.93	24.82	24.10
20	23.97	24.90	24.15
21	24.02	25.00	24.20
22	24.07	25.09	24.26
23	24.12	25.19	24.32
24	24.18	25.31	24.39
25	24.25	25.44	24.46
26	24.32	25.57	24.54
27	24.39	25.70	24.62
28	24.48	25.86	24.72
29	24.57	26.03	24.82
30	24.68	26.22	24.94
31	24.79	26.42	25.06
32	24.92	26.66	25.21
33	25.06	26.90	25.37
34	25.21	27.19	25.54
35	25.39	27.52	25.74
36	25.58	27.89	25.95
37	25.80	28.31	26.20
38	26.04	28.78	26.47
39	26.31	29.32	26.75
40	26.64	29.79	27.15
41	27.04	30.33	27.61
42	27.45	30.89	28.07
43	27.92	31.52	28.59
44	28.43	32.18	29.16
45	29.03	32.96	29.82
46	29.69	33.80	30.55
47	30.42	34.73	31.35
48	31.21	35.73	32.22
49	32.09	36.83	33.18
50	33.05	38.04	34.25
51	34.13	39.38	35.40
52	35.28	40.82	36.66
53	36.57	41.39	37.02
54	37.95	44.15	39.58

30 YEAR ENDOWMENT

\$1,000 Initial Insurance

Premium Reduction First Year

Age	With- out Disa- bility C	With Disa- bility A	With Disa- bility C
16	\$30.28	\$31.21	\$30.46
17	30.32	31.30	30.50
18	30.37	31.39	30.56
19	30.42	31.49	30.62
20	30.48	31.61	30.69
21	30.60	31.79	30.81
22	30.73	31.98	30.95
23	30.87	32.18	31.10
24	31.02	32.40	31.26
25	31.19	32.65	31.44
26	31.35	32.89	31.61
27	31.53	33.16	31.80
28	31.73	33.47	32.02
29	31.94	33.78	32.25
30	32.17	34.15	32.50
31	32.46	34.59	32.81
32	32.76	35.07	33.13
33	33.10	35.61	33.50
34	33.47	36.21	33.90
35	33.89	36.90	34.36
36	34.36	37.51	34.88
37	34.87	38.16	35.44
38	35.43	38.87	36.05
39	36.05	39.65	36.72
40	36.73	40.48	37.46
41	37.47	41.40	38.26
42	38.28	42.39	39.14
43	39.18	43.43	40.11
44	40.16	44.68	41.17
45	41.24	45.98	42.33
46	42.48	47.47	43.66
47	43.81	49.06	45.08
48	45.28	50.82	46.66
49	46.88	52.70	48.32
50	48.62	54.82	50.25

30 YEAR ENDOWMENT \$1,000

Age	With- out Disa- bility C	With Disa- bility A	With Disa- bility C
16	\$23.49	\$24.42	\$23.67
17	23.52	24.50	23.70
18	23.55	24.57	23.74
19	23.59	24.66	23.79
20	23.63	24.76	23.84
21	23.70	24.89	23.91
22	23.77	25.02	23.99
23	23.84	25.15	24.07
24	23.93	25.31	24.17
25	24.02	25.48	24.27
26	24.11	25.65	24.37
27	24.21	25.84	24.48
28	24.32	26.06	24.61
29	24.45	26.29	24.76
30	24.58	26.56	24.91
31	24.77	26.90	25.12
32	24.96	27.27	25.33
33	25.19	27.70	25.59
34	25.44	28.18	25.87
35	25.72	28.73	26.19
36	26.05	29.20	26.57
37	26.42	29.71	26.99
38	26.82	30.26	27.44
39	27.26	30.89	27.93
40	27.76	31.51	28.49
41	28.30	32.23	29.09
42	28.90	33.01	29.76
43	29.58	33.89	30.51
44	30.31	34.83	31.32
45	31.12	35.86	32.21
46	32.07	37.06	33.25
47	33.11	38.36	34.38
48	34.25	39.82	35.66
49	35.60	41.42	37.05
50	37.03	43.23	38.66

15 PAYMENT

20 YEAR ENDOWMENT \$1,000

Age	With- out Disa- bility C	With Disa- bility A	With Disa- bility C
16	\$48.48	\$49.46	\$48.70
17	48.51	49.53	48.73
18	48.55	49.62	48.79
19	48.59	49.69	48.83
20	48.62	49.78	48.87
21	48.67	49.86	48.93
22	48.72	49.98	48.98
23	48.77	50.07	49.06
24	48.82	50.17	49.10
25	48.87	50.28	49.15
26	48.94	50.43	49.24
27	49.01	50.56	49.30
28	49.08	50.69	49.39
29	49.16	50.83	49.47
30	49.24	51.01	49.57
31	49.35	51.21	49.70
32	49.45	51.40	49.82
33	49.56	51.62	49.93
34	49.70	51.89	50.09
35	49.84	52.17	50.27
36	50.06	52.64	50.51
37	50.29	52.94	50.78
38	50.53	53.38	51.03
39	50.82	53.90	51.36
40	51.13	54.43	51.69
41	51.48	55.08	52.09
42	51.89	55.83	52.55
43	52.33	56.64	53.04
44	52.82	57.58	53.59
45	53.37	58.65	54.20
46	53.96	59.36	54.87
47	54.63	60.14	55.63
48	55.37	61.02	56.47
49	56.19	61.88	57.41
50	57.09	62.06	58.46
51	58.06	64.51	59.67
52	59.12	66.10	60.99
53	60.29	67.84	62.42
54	61.59	69.75	63.99
55	63.00	71.85	65.70
56	64.51	74.13	67.53
57	66.17	76.64	69.54
58	67.99	79.41	71.74
59	70.00	82.50	74.15
60	72.19	85.89	76.85
61	75.02	.....	.....
62	78.12	.....	.....
63	81.49	.....	.....
64	85.18	.....	.....
65	89.20	.....	.....

20 PAYMENT

30 YEAR ENDOWMENT \$1,000

Age	With- out Disa- bility C	With Disa- bility A	With Disa- bility C
16	\$30.11	\$31.26	\$30.28
17	30.15	31.36	30.32
18	30.20	31.46	30.37
19	30.26	31.56	30.45
20	30.32	31.72	30.51
21	30.38	31.84	30.59
22	30.45	31.97	30.66
23	30.53	32.13	30.74
24	30.61	32.28	30.83
25	30.70	32.48	30.92
26	30.80	32.68	31.04
27	30.91	32.88	31.15
28	31.04	33.13	31.30
29	31.17	33.39	31.45
30	31.32	33.69	31.59
31	31.48	34.02	31.76
32	31.67	34.41	31.96
33	31.87	34.85	32.18
34	32.10	35.34	32.43
35	32.36	35.90	32.70
36	32.66	36.28	33.03
37	33.03	36.73	33.43
38	33.44	37.22	33.87
39	33.89	37.75	34.36
40	34.39	38.34	34.89
41	34.97	39.01	35.52
42	35.60	39.74	36.20
43	36.30	40.54	36.96
44	37.06	41.42	37.79
45	37.89	42.38	38.71
46	38.80	43.57	39.75
47	39.79	44.86	40.87
48	40.88	46.26	42.10
49	42.05	47.76	43.42
50	43.34	49.42	44.87

(CONTINUED NEXT WEEK)



"THE DISCRIMINATING BUYER"

Specifies Continental

**Continental Casualty Company
Continental Assurance Co.**

910 S. Michigan Ave.

Chicago

THE MUTUAL LIFE

The Mutual Life Insurance Company of New York has a record of EIGHTY-TWO YEARS of prosperous and successful business. It has passed through panics, pestilence and wars unharmed, and to-day, as a result of eight decades of endeavor, offers financial strength, reputation, magnitude, leadership, and life insurance service.

Those considering life insurance as
a profession are invited to apply to

The Mutual Life Insurance Company
of New York

34 Nassau Street, New York

Springfield Life Insurance Company

A MUTUAL LEGAL RESERVE LIFE INSURANCE COMPANY

HOME OFFICE:

SPRINGFIELD, ILLINOIS

AGENTS WANTED

We offer to Agents who CAN—

- (1) Liberal first year commissions
- (2) Liberal renewals—thus insuring a permanent income
- (3) Actual—not promised—home office co-operation
- (4) Large actual prospect lists

Business in Force \$80,000,000

C. Hubert Anderson, Supt. Agencies
Springfield, Ill.

A. L. Hereford, President
Springfield, Ill.

To Benefit Some Human Being

I WANT to bring home some sense of responsibility on your part to your employing company. I like to think of the Metropolitan as a real thing. It's a Company, you say, without body or soul. But I never want to think of it as such. There is a spirit about it that is more than any of these things, that tries to bring home to its employees some idea of personality and some idea of brotherhood of the company.

Every one of your companies has a staff of officers that is thinking of what is best for the company and all its people. That is what you must do. You are a part of these corporations. Every one has merit. Seek that merit!

After all, what we are appealing to is the human heart. We are appealing to humanity itself. You are striving to serve men, women and children. You are trying to do something that will benefit some human being. Always keep in mind that you are working for humanity. It will make you better men and more efficient men. Every word and every line you publish must be directed to the heart of the people who read it—*From an address by Haley Fiske, President, Metropolitan Life Insurance Company, before the Insurance Advertising Conference at Briar Cliff Lodge.*

METROPOLITAN LIFE INSURANCE COMPANY

HOME OFFICE
1 Madison Avenue, New York City

Chief Justice Taft Speaks to Producers

William Howard Taft, chief justice of the United States supreme court and former president of the United States, addressed the agency convention of the Connecticut Mutual Life recently. In part Mr. Taft said:

"Life insurance is a wonderful aid, especially to those of us who are dependent upon salaries and upon professional incomes. It is the only way by which we can make our lives happy in the thought that we are putting by something so that those who are dear to us may live on after us and not feel pinched or not be subjected to the *res angustae* when the breadwinner is gone.

Comes from Good Section

"Now you have a great company. You come from a great state. I know because I voted last in that state. It is a state of steady habits, I hope. It comes out of the city of Hartford that used to be—I don't know how it is now—the richest city per capita in the country. And in some way or other your management and that of the other great insurance companies that have their headquarters in Hartford, have persuaded the entire country that there is where investment can find security and proper treatment, not too generous a treatment, but proper treatment in the matter of preserving these trusts that are so essential to the happiness of a great many people in this country.

"We hope that our country is so situated that we can go on to better things, that business is reviving in such a way as to be on a sound permanent basis, and that we are recovering from the *sequelae* of the war. I think we have done so perhaps more fully than any other country. But our interest ought to be manifested not only in our own country but in sympathetic feeling for the struggle and burdens of other countries which are not so fortunate as we are.

Keep Size of Heads Down

"One of the things we have got to do as Americans is to keep down the size of our heads. That is good doctrine. We are apt to think too much of ourselves, and we are apt to do so because we don't realize how fortunate we have been in the material goods that we enjoy, the material conditions that have aided us. Therefore we should better ourselves in self-restraint—we should not feel too happy over our prosperity, or at least not feel that it rids us of responsibility for the rest of the world or that it should make us forget that our prosperity is not wholly due to our own individual merits."

NEW ASSOCIATION TO MEET

Junior Officials of the American Life Convention Will Gather at Louisville Next Month

The Junior Association of the American Life Convention organized in New Orleans at the annual meeting last year by James W. Stevens, II, vice-president and agency manager of the Illinois Life, and Ted M. Simmons, assistant superintendent of agents of the Pan-American Life, will hold its first meeting in Louisville at the time of the annual meeting of the American Life Convention.

The Junior Association is composed of the junior officials of the members of the American Life Convention, its purpose being the exchange of ideas pertaining to the betterment of life insurance, from both the standpoint of the home office and the field and the cementing of closer relationship among the younger men in the profession.

The Junior Association now has 29 company members and expects to get on a functioning basis after its meeting in Louisville.

Employers of the Ohio National Life had their picnic last Thursday afternoon. They boarded a specially chartered boat and took a trip down the Ohio river. A dinner was served on the boat.

Phil Braniff Pays Respects to Agents

PHIL BRANIFF of the Thomas E. Braniff Company of Oklahoma City, Okla., in a bulletin to the agents of his company makes reference in a joking way to the life insurance salesman. He also pays his respects to the statistical departments of companies. Phil puts it this way:

When a life insurance salesman calls on you, give him a half hour's audience before you commit the act. A good life insurance salesman can give you some mighty fine pointers in salesmanship. He appeals to your business ability, your foresight, hindsight and sentiment, and is generally equipped with more statistics than the proverbial cat with the 100 millstone on her neck.

I can resist the vampirish purring of a Ford salesman and likewise the "work-my-way-through-college" eloquence of a book peddler, but when a life insurance salesman picks at my heartstrings while he sings old Black Joe I get as weak as Volstead intended it to be. Statistics will knock the sap out of intention. I know lots of men who now are playing harps or running a coal chute who didn't live as long as they had intended. Statistics are a great thing. You can tell by statistics how long you should have been dead. The funny thing about statistics is that they sometimes show that you are dead and the bills aren't paid.

Speaking of statistics—do you know that the average man attaining the ripe old age of 30—having successfully dodged Dodges and fled from Slivens has eaten 13,675 feet of strip bacon, 11,250 cackle berries, 3,900 loaves of bread, swallowed 4,000 quarts of coffee, chewed up and swallowed numerous cows, chickens, pigs and disguised goats, worn out the seat of 100 pairs of pants, worn out 100 pairs of shoes, 250 pairs of socks. He has jumped from in front of enough automobiles to make one jump over the Woolworth building and into the bay, has slept longer than Rip Van Winkle and walked 59 times as far as a careful flapper.

INTER-SOUTHERN REPLY MADE

President Duffin Announces Answer to Ernst & Ernst—Report Was Mailed to Commissioner Sausley

LOUISVILLE, KY., Sept. 23.—Announcement was made in Louisville on Sept. 19, by James R. Duffin, president of the Inter-Southern Life, to the effect that the answer of the board of directors of the company to the audit made by Ernst & Ernst had been completed, and that this answer had been mailed to Commissioner S. M. Sausley at Frankfort.

A statement from the department will probably be made shortly, but nothing has been released so far. There may be a hearing arranged before any statement is issued or action taken.

AGENCY CONVENTION IS HELD

Central Life Of Illinois Will Extend Its Activities And Organization To Five More States

The annual agency convention of the Central Life of Chicago, was held in its home office building. Dr. W. F. Weese, vice-president, spoke of the low mortality. He called attention to the fact that the majority of the men, working ten years ago for the Central are still actively producing. The older men in the organization presented Dr. Weese with a silver desk set. W. Rolla Wilson, vice-president and agency director, announced that the company is now entering California, Oregon, Washington, Indiana and Pennsylvania. Satisfactory gains in new business were reported as reflected in the monthly increase of 83 percent. Twelve new general agents were introduced. A new educational course has been adopted. Judge W. H. Hinebaugh, president of the Central, presided at the banquet and opened the business sessions and outlined the company's plans for expansion.

F. S. MOORE ON NON-CAN.**CHAPPELL GIVES LUNCHEON**

No Change in Forms or Rates Since Initiation of Policy, Says Originator

At a luncheon given last week in Chicago, in his honor by J. F. Chappell & Co., general agent for the Massachusetts Accident in Chicago, Fred S. Moore, manager of the commercial department for that company, told some interesting history of the non-cancellable health and accident policy of which he is credited as being the originator.

Mr. Moore says that while the non-can policy is a new thing in the United States, there is 100 years' experience to be had in the Manchester unity table. He says that the non-cancellable policy issued by his company has never been changed since it was first put out and the rates are the same as in the beginning.

Opposed by Laws

When Mr. Moore first wanted to issue the non-cancellable policy, he found that he was opposed by the laws of many states. Particularly in the east Number 16 of the standard provisions was mandatory. He finally carried the matter to the supreme court of Massachusetts which stated that the insurance commissioner in his discretion could permit the issuance of a policy without the cancellation clause if he were satisfied that in doing so the company would not endanger the safety of the old policyholders of the company.

He then took the matter to the insurance commissioner who agreed with him in practically every particular, but said that he would not authorize it unless the commissioner of New York state would, as well. Mr. Moore went to New York and "sold" the New York commissioner who said that he would not, however, approve the matter unless the Connecticut department concurred. He repeated the selling of the idea, in Connecticut, and with these three states convinced he had little difficulty in other states.

Favors 14-Day Exclusion

Underwriting practices of the Massachusetts Accident differ somewhat from those of other companies. The policy is written only with a 14 or 90 day waiting period. In practice, however, it is written only with a 14 day waiting period, as Mr. Moore reports no demand for the 90 day policy. The company reported \$197,000 in non-can premiums in 1924.

Most of Mr. Moore's reports were brought out in answer to the questions of agents attending the luncheon. "All companies," said Mr. Moore, "figure their non-can reserves on a different basis." In his company the reserve is put up as soon as the non-can policy is written. This reserve continues to grow

REORGANIZE OHIO COMPANY

Toledo Travelers Starts Program of Development With Extensive Advertising and Capital Increase

TOLEDO, O., Sept. 23.—The Toledo Travelers, which was recently reorganized, now issues a house organ under the name of "The Toledo Traveler," issued each week, containing individual records and snappy paragraphs urging greater production. Considerable artistic ability is shown by the illustrator.

President Orson C. Norton plans to increase the capital stock of the company to \$250,000, thereby adding \$150,000 to the capital, the additional stock to be sold two for one. There will be no expense for this undertaking. The company will then have \$250,000 capital and \$165,000 surplus.

Will Enter New Territory

The company plans to enter Michigan as soon as suitable agency connections are arranged for. At present Ohio is being extensively worked through the efforts of D. O. Norton, superintendent of agents. The E. P. Brooks agency of Toledo, has been appointed home office general agent and at present has 16 producers in Toledo. It is expected that this agency will produce and pay for more than \$1,000,000 this year.

Judge Curtis T. Johnson, a prominent attorney, is first vice-president and James Baumgardner, president of the dry goods firm of Baumgardner & Company, is second vice-president; F. T. Baldwin is treasurer and E. W. Jade, former secretary, is retained. Dr. E. B. Gillette is medical director and D. O. Norton, a brother of President Norton, is superintendent of agencies. Orr & Reiter of Lansing, Mich., are handling the actuarial work.

as long as the policy remains in force instead of reducing after age 52.

Most of the non-can policies of the Massachusetts Accident, in fact, all of those written at an age of less than 50, are non-cancellable for the life of the assured instead of to age 60.

If a policy is lapsed or terminated for any other reason, the reserve which has been accumulated on the policy is not taken down.

Mr. Moore says that the loss ratio on accident and health insurance should strike a certain average. If it is high one year and low the next, that is no sign that the average will not be maintained in the long run. For instance, suppose the loss ratio is expected to average 44 percent. If it is as low as 40 one year, the 4 percent is held out and put in a special contingent reserve. If it is 48 the next year the reserve is taken to make the average.

The Massachusetts Accident has removed the cancellation clause from its commercial policies as well, which are regarded as term contracts non-cancellable during the term.

MAUSOLEUM PAYS HIS DEBTS

Family Crypt Sold to Pay Debts of Estate of Former Millionaire Contractor

An article appearing in the New York "Herald-Tribune" is headed "Two Hundred Thousand Dollar Crypt Goes to Pay Bradley Debt." The sale of the Bradley mausoleum, one of the finest monuments of Woodlawn cemetery, to settle the debt of the William Bradley estate, became known yesterday.

The body of Mr. Bradley, which was placed in the mausoleum, as well as the bodies of other members of his family which were in the famous crypt, were removed after the sale, it was said. They had been placed in less pretentious burying lots in the cemetery, it is understood.

The building of the mausoleum was an outstanding feature in the career of Mr. Bradley, which was marked with many unusual building ventures. Mr. Bradley was head of the Bradley Construction Company, and one of their construction jobs was the New York subway.

Mr. Bradley started life as a driver of a brick wagon and was pointed out as a successful self-made man. At the opening of the World War, he was reputed to be a millionaire. With the coming of the war, however, there was a consequent decline in construction work and, in the upheaval in the financial world, he was reported to have been a heavy loser. These financial reverses continued until the end of his life and, it was reported at the time, hastened his death.

Life insurance would have kept in the family the resting place he so carefully planned for himself.

According to Mr. Moore, the Massachusetts Accident is the only accident company of any age that has never shown an underwriting loss. The company has been in operation for 43 years.

COMMISSIONERS ELECT**ENDRICK PRESIDENT**

(CONTINUED FROM PAGE 3)

morning. A special train carried the people to and from the valley. Breakfast was served at Sharyland. A motor trip was then made to the ranch of R. T. Stuart, president of the Mid-Continent Life of Oklahoma City, where a splendid luncheon was served. Visits were made to Harlingen, San Benito and Brownsville. At Brownsville the delegates crossed the Rio Grande river for a visit to Matamoros, Mexico, where a real Spanish bull fight was staged for the visitors.

A Mexican banquet was served to the party Wednesday evening. The special train left Brownsville at ten o'clock arriving in San Antonio early Thursday

COVERS DEBT ON HOME**MORTGAGE LOAN PROTECTION**

Prudential Official Advocates Sale of Life Insurance to Protect Family During Payment Period

An important function of life insurance which is in accord with sound business practice and common sense is the protection of homes during the period of purchase, according to A. M. Woodruff, vice-president of the Prudential.

The books of the big insurance companies show an ever-increasing amount of money invested in dwellings and apartment houses in mortgage loans. In most cases when a man buys a house, he pays only a portion of the purchase price in cash, according to Mr. Woodruff, leaving the balance as a mortgage on the property, to be paid off with future earnings. This plan is sound financially, but there is always the possibility that the head of the family may die with the mortgage unpaid.

"An insurance policy," he continued, "on his life for the amount of the mortgage gives him the comfortable feeling of knowing that if anything happens to him, his family will be provided immediately with the means of paying off the balance of the debt on the house, and owning their home outright."

"Just as banks look with favor on business concerns where the lives of the key men are insured with the firm named as beneficiary, so do they regard favorably the man buying a house who has the foresight and good sense to arrange his affairs so that a home at least is assured his wife and children if anything should happen to him."

Should Convert Term Policy

"At a little extra cost, as the home is paid for, the value of the policy is piling up, and if the owner of the home survives, he has not only his own home, entirely paid for, but a considerable sum of money to his credit."

"Term insurance with its minimum rate is often suggested as protection for the family when buying a home, and it is all right if it is converted to permanent insurance before the limit for this conversion expires. Thus, when the payments for the home are finished, the family is protected not only with a home, but with an assured monthly income or a considerable lump sum eventually."

morning. Thursday afternoon there was a motor drive to Fort Sam Houston. The largest army camp in the United States. The visitors reviewed the soldiers. Thursday night the garden party and ball at the San Antonio Country Club was voted a huge success. Friday the ladies were entertained at a reception and tea, while the men attended a smoker.

OVER FOUR HUNDRED MILLION INSURANCE IN FORCE.

THE WESTERN AND SOUTHERN HAS MORE THAN DOUBLED ITS AMOUNT OF INSURANCE IN FORCE DURING THE LAST FIVE YEARS.

AMBITIOUS, FORWARD LOOKING MEN, WHO ARE CONSIDERING THE LIFE INSURANCE PROFESSION AS A CAREER, ARE INVITED TO GET IN TOUCH WITH THIS FAST GROWING LIFE INSURANCE GIANT.

CALL AT OUR NEAREST DISTRICT OFFICE OR WRITE TO

The Western and Southern Life Insurance Company

HOME OFFICE: CINCINNATI, OHIO

W. J. Williams, President

PUBLIC LIFE INSURANCE COMPANY

An Illinois Company

Capital \$500,000

Brokers' Business Solicited

Any amount up to \$100,000.00

No. Color Line. Same Rates for All
Male and Female

Standard and Substandard Business Accepted

Service You Can Depend Upon

Agency Office—108 S. La Salle St.
Chicago, Ill.

Kaufmann's Systeman Security Holder

is the best leather container on the market designed to provide a place for Insurance policies, bonds and other valuable papers.

Your client will appreciate that such a holder typifies quality service. The goodwill that it creates will be far in excess of its cost to you. It helps deliver extra policies.

The Price is \$2.25

There is a large size at \$3.15.

Liberal quantity discounts.

For Sale by

E. L. KAUFMANN

Room 700, Austin Bldg.

111 W. Jackson Blvd. Chicago, Ill.

Telephone Wabash 3933



SOME RECENT COURT CASES THAT INVOLVE LIFE INSURANCE

Circumstances Surrounding Death of Insured Held to Sustain Verdict of Jury That Death Was Not Caused by Suicide.

—In New York Life vs. Turner, supreme court of Alabama, 104 So. 643, an action was brought to recover on a life policy. The company denied liability, and set up a breach of the suicide clause in the policy.

Upon the trial of the cause a jury returned a verdict in favor of the plaintiff. From judgment on this the company appealed and the higher court in reviewing the record and in declining to disturb the verdict said:

"Taking the evidence in this record, it is strongly persuasive that the deceased came to his death from carbolic acid poison taken with suicidal intent. This was clearly the accepted view at the time of his death. It is supported by circumstances surrounding his death and some antecedent facts. But, as against this, there is evidence, not subject to serious doubt, that deceased had been using carbolic acid for toothache, and bought it for that ostensible purpose. The presence of burns on the lips, tongue and gums may be accounted for by use of it as a local application for toothache.

Jury Verdict Was Sustained

"The direct evidence of Dr. Rudder and Dr. Alman and the druggist, Pruitt, that examination was made of the throat, and no evidence of carbolic acid burns there found, but that all such burns were on anterior portions of the mouth, presented a real substantial issue. The expressed opinion that the death was due to poison or heart failure, with some evidence indicating a predisposition toward the latter ailment, and evidence by plaintiff, though belated, showing symptoms of high blood pressure, afford further matters of debate.

"The reliability of the witnesses, as tested by their manner and personal appearance, and any variance from statements of first impression, could not fail to become an inquiry in the minds of the jury. In view of the presumptions, we should indulge in the matter, and the fact that it is strictly a jury question, we will not disturb the verdict."

Where insured became afflicted with incurable disease which required treatment for eight hours each day held he was "totally and permanently disabled" within terms of life policy. In Halperin vs. Equitable Life, Municipal Court of City of New York, 210 N. Y. S. 720, the company issued certain life policies to the plaintiff. These policies provided as follows:

"If the insured becomes wholly and permanently disabled before age 60, the society will waive subsequent premiums and pay to the insured a disability annuity of \$150 a month * * * by bodily injury or disease. * * *

Thereafter the plaintiff brought an action claiming instalments because of his alleged total and permanent disability. The company denied liability on the grounds that the plaintiff was not totally and permanently disabled within the terms of the policy.

The plaintiff offered evidence to the effect that he had what was known as "Buerger's disease," that said disease was not curable from the standpoint of pathology, that it required constant care and attention at all times, and that the exercises prescribed and treatment of this disease required about eight hours of the plaintiff's time each day. The court in holding that the plaintiff was totally and permanently disabled within the terms of the policy said:

Need Not Be Helpless

"To uphold the defendant's contention that the plaintiff during the treatment as prescribed by Dr. Buerger could engage in any occupation would be inconsistent with the trend of authorities

in this jurisdiction as well as others.

"In the case of Davis v. Midland Casualty, the court held that it was unnecessary, to constitute 'total disability,' that the assured be helpless. * * * Another striking example of the trend of authority is the case of James vs. United States Casualty, where the court aptly states:

"It cannot be that the parties intended that, before an assured could recover on the policy, he should lie the full period of his injury in a state of coma. To interpret the clause in its contractual sense as defendant seeks to have us do would render the contract utterly useless to an assured, and would be nothing short, practically speaking, of collecting a premium without rendering a consideration.' * * *

"From the facts presented and the findings made, in view of the foregoing decisions, it follows that the plaintiff is entitled to recover the amount demanded in each action."

Insurance company held to have right to introduce entries in books from home office to prove non-payment of premiums by insured.—In Equitable Life vs. Campbell, Appellate Court of Indiana, 148 N. E. 505, the company issued a policy for \$10,000, June 30, 1903. The insured paid the first premium on the policy. Thereafter the insured died and almost 10 years after his death action was brought to recover under the policy.

The trial of the cause was not had until more than 17 years after the transaction sought to be proven had taken place. In defense to the action the company set up that the insured had never paid the second premium on the policy, hence it was contended that the policy was not in force at the time of the death of the insured.

Company Tendered Books

In support of its contention the insurance company tendered its set of books kept at its home office to show that the second premium had never been paid. These entries were held inadmissible by the trial court and the trial resulted in a judgment in favor of the plaintiff. On appeal the higher court in holding such entries should have been admitted and in reversing the judgment said:

"These entries were res gestae of the transaction in the payment of the first annual premium, and in the alleged non-payment of the second annual premium; that is, they were contemporaneous facts, circumstances, and declarations which grew out of the main transactions, and which served to explain it. * * *

Held Admissible in Evidence

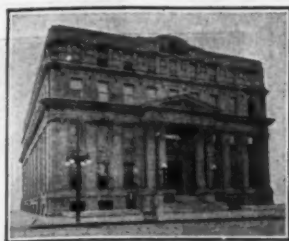
"There is certainly much reason for invoking the rule where, as here, suit on a policy of insurance is not commenced until almost 10 years after the death of the insured, the trial not had until more than 17 years after the transaction sought to be proven, where witnesses are dead or scattered and recollection of those available necessarily dim and uncertain.

"We hold that the entries in the books of appellant at the home office pertaining to the premiums for the policy in suit were competent in evidence, when properly identified and explained. Such entries being admissible in evidence, photographic copies thereof, when duly authenticated, were admissible. * * *

Scott With Reserve Loan

Martin V. Scott, formerly actuary of the Louisiana State Life and before that connected with the Royal Union Mutual, has gone with the Reserve Loan Life, taking over the duties of Charles C. Deitch, who has been transferred to the agency department.

Mr. Deitch who was formerly assistant actuary, is now put in charge of the agency department at the home office.



BANKERS LIFE INSURANCE COMPANY OF NEBRASKA

Assets \$25,100,000

Insurance in Force Over \$106,000,000

Our Motto: Not How Large But How Strong

Thirty-eight years of successful and conservative management has resulted in a financial statement and dividends to policyholders unequalled in the insurance world.

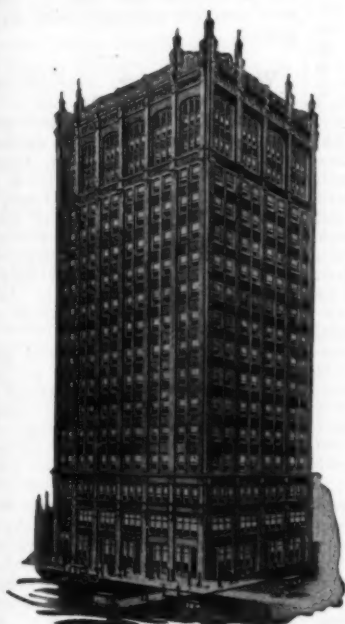
Participating and Non-Participating Insurance Disability and Double Indemnity

Excellent opportunities for high grade men either with or without insurance selling experience in Pennsylvania, Ohio, Michigan, Illinois, Iowa, Missouri, South Dakota, Utah, Washington, and Oregon.

**MORE BUSINESS IN FORCE IN OUR HOME STATE
THAN ANY OTHER COMPANY**

For full particulars regarding Agency, address

HOME OFFICE, LINCOLN, NEBRASKA



PEOPLES LIFE BUILDING

Records that Count

What made it possible for Peoples Life Agents to write twice the business in 1924 that was produced in 1923 and then during the first six months of 1925 show an increase of nearly three times that of the same period of 1924?

Peoples Life Policies—Peoples Life Service—and Peoples Life Cooperation are clues to the answer.

Our agents have produced this business. They can account for the increase. We will be glad to show you how a life insurance connection will be profitable to you. Today is your opportunity—A Peoples Life agent has the advantage. Let us show you why.

**The
PEOPLES LIFE
INSURANCE COMPANY**

Chicago, Illinois

THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

Published every Friday by THE NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati and New York. EDWARD J. WOHLGEMUTH, President; JOHN F. WOHLGEMUTH, Secretary; H. E. WRIGHT and NORA VINCENT PAUL, Vice-Presidents; WILLIAM A. SCANLON, Southwestern Manager; FRANK W. BLAND, GEORGE C. ROEDING and O. E. SCHWARTZ, Associate Managers.

C. M. CARTWRIGHT, Managing Editor
HOWARD J. BURRIDGE, Associate Editor
FRANK A. POST, Associate Editor
R. C. BUDLONG, Associate Editor

PUBLICATION OFFICE, Insurance Exchange, CHICAGO. Telephone Wabash 2704
CINCINNATI OFFICE, 420 E. Fourth St., Telephone Main 5781, RALPH E. RICHMAN, Manager
E. R. SMITH, Statistician, ABNER THORP, JR., Director Life Insurance Service Dept.

NEW YORK OFFICE, 80 Maiden Lane, New York; Telephone John 1032

GEORGE A. WATSON, Associate Editor

NORTHWESTERN OFFICE: 307 Iowa National Bank Bldg., Des Moines, Ia., Tel. Market 3957

J. M. DEMPSEY, Manager

PACIFIC COAST OFFICE—369 Pine St., San Francisco, Cal. Tel. Kearny 6033, Insurance Publicity Bureau, Manager

Subscription Price, \$3.00 a year; in Canada, \$4.00 a year. Single Copies 15 cents
In combination with National Underwriter (Fire and Casualty) \$5.50 a year; Canada \$7.50

False Rumor Is Spiked

THE statement emanating from New York that THE NATIONAL UNDERWRITER has considered or may consider the advisability of bringing suit against the NATIONAL LIFE UNDERWRITERS ASSOCIATION on the ground that its charter does not permit it to engage in the publishing or book selling business is entirely unwarranted and untrue.

FRANCIS R. STODDARD, ex-insurance superintendent of New York, is attorney for THE NATIONAL UNDERWRITER in the suit brought by DAN NELSON, the inheritance tax compiler. In discussing this case, in which Mr. NELSON seemed to show favoritism to the NATIONAL ASSOCIATION OF LIFE UNDERWRITERS in that he did not bring suit against it for its publication which was identical with that of THE NATIONAL UNDERWRITER, the conversation turned on the National association's right to be engaged in the publishing business for profit at all. Without any thought of bringing suit and

with a view to looking into this phase of the matter to determine the facts Mr. STODDARD was asked to give his opinion. Considering that Mr. STODDARD was already attorney for the association in another matter, after thinking it over he decided not to do so. That is all there is to the story which is being used in an attempt to put THE NATIONAL UNDERWRITER in a false position. To confirm these statements here is a telegram of denial from Mr. STODDARD himself to E. J. WOHLGEMUTH, head of THE NATIONAL UNDERWRITER organization:

"You never mentioned a suit nor did I. You only sought legal opinion."

Naturally the purpose of THE NATIONAL UNDERWRITER is to place before the members the facts of the situation and rely upon their sense of fairness, rather than to take legal action. THE NATIONAL UNDERWRITER has had no thought of legal action, or adopting similar methods, in this matter.

Getting the Habit Early

A NUMBER of life companies have reduced their age limit and are now selling policies to children 10 years of age. This will give life agents a new talking point and another avenue of approach. One of the most desirable results from this action is the fact that children of young years will know something about life insurance. They may not appreciate what it is all about, but at least they will know that their lives are insured and it gets them into the life insurance atmosphere early in their lives.

Parents desire the best for their chil-

dren. They are willing to make all sacrifices. They want their children to get in the right road and keep there. They desire to see their children early in life form habits of thrift, economy and good judgment. A father can have a serious talk with a child from 10 to 14 years or so and explain to him just why he is arranging for the life insurance policy. It gives a child a low rate on his policy and by the time he is self-supporting he can carry it along. It will be his first big effort of creating an estate and getting a firm standing.

Value of Repeat Calls Shown

AN interesting survey was recently made by the RETAIL DRY GOODS ASSOCIATION, which secured data from 1,000 merchants who kept a record of traveling salesmen's calls for a period of a year. These merchants were asked to record each call made by each man. The RETAIL DRY GOODS ASSOCIATION was desirous of ascertaining what percentage of sales were made on repeat calls. The result is interesting because it shows that the salesmen that made four or more calls secured

80 percent of the sales where they did so.

It was found that 48 percent of the drummers made one call on the local retail merchants and did not return. There were 25 percent that made two calls only. The records show that 15 percent made three calls, while 13 percent made four or more.

If this record is worth anything in the mercantile trade, it certainly shows that repeat calls on an insurance prospect are well worth while.

Where High Pressure Methods Fail

MUCH is said of high pressure salesmanship, but too often no distinction is drawn between high pressure tactics and plain hard work. Insurance placed by high pressure methods frequently does not stick, and is often very unsatisfactory.

The hardworking agent is successful because he succeeds in creating a desire. He shows the prospect how insurance can fit his particular situation and be of value to him and through the service he renders he sells insurance that satisfies.

PERSONAL GLIMPSES OF LIFE UNDERWRITERS

Henry H. Putnam, head of the department of publicity at the head office of the John Hancock Mutual Life, has had a wide experience in the newspaper field and is looked upon by the insurance newspaper fraternity as one of its most eminent members. He started in 1887 as a reporter for the "Standard" of Boston and later became the editor of that insurance journal. In May, 1899, he began the publication of the "Monthly Journal of Insurance Economics," a paper that was novel in the insurance field as it discussed insurance problems largely from the economic viewpoint. Mr. Putnam was interested in the National Association of Insurance Agents, which was a struggling organization. He established the "American Agency Bulletin," which was endorsed by the association and became its authoritative medium for discussion of its own problems. Later he was induced to become secretary and manager of the association and editor of the "Bulletin." He, therefore, had to dispose of the "Journal of Insurance Economics," which he sold to the "Eastern Underwriter." He continued in this organization work and editing the "Bulletin" for 15 years.

President W. J. Williams of the Western & Southern Life largely because of the power of his personality has been a great factor in the rebuilding of the Cincinnati company. He is a life insurance man of long experience. At the age of 18 he started in a fire insurance office, and two years later



became secretary, continuing in this office practically in executive control until 1910, at which time he became president in name as well as in fact. It was not until 1900 that the company undertook to write ordinary insurance in addition to industrial, but today as President Williams expresses it, the field force as a whole has become two handed, writing ordinary and industrial with equal facility. President Williams' determination and force is shown by the fact that although for four years he was practically an invalid, he continued to build up the company and hold the field force to high production. He is 67 now, but has not slowed down in his energy and hard work.

Thomas B. Dawkins, general agent with the Missouri State Life in north Louisiana, has been selected as the third member of a board of arbitration to decide a wage controversy between the Shreveport Railway Company and its motormen and conductors.

Spencer B. Apple, agent for the Travelers at Baxter Springs, Kans., who recently established a new world record by writing 103 applications for life insurance in one day, has been writing life insurance only one year. Baxter Springs is a town of only 5,000 people, but Mr. Apple says that it is an under-insured district. The town is surrounded by mining fields and the people are accustomed to taking chances, and they take a chance that they will not need life insurance. Mr. Apple seems to have



SPENCER B. APPLE
Agent of the Travelers

been able to convince them to the contrary and he believes that his campaign will result in some good business for all the agents. His thorough advertising campaign in preparation for the drive has had a wholesome influence upon the district with the result that everybody seems to be interested in his drive.

The surprising thing, said Mr. Apple is that almost without exception the prospects are well sold and seem glad to go on with their contracts. Practically all have been examined, and those who have not have either been out of town, or have come up while the doctors were out of their offices. Mr. Apple is so gratified by the results of his campaign that he expects to reap the benefits from it for many months to come. He is so enthusiastic about his profession now that he will probably not rest contented with his present record.

W. H. Painter, secretary-treasurer of the United Fidelity Life of Dallas, has stepped out of his role as insurance executive and has assumed the mantle of an author. Mr. Painter has written the first of a series of articles for the Dallas "Times Herald," dealing with various phases of the insurance profession. In his article which will be followed by the views of other insurance executives, Mr. Painter discusses the development of the insurance business for the last 20 years.

J. T. Timberlake, general agent for the Missouri State Life at Nashville died recently following several months' illness. He was one of the oldest agents in point of service in the Missouri State's agency organization and had been considered a valuable man both because of his personal production and his ability as an organizer and developer of agents. He joined the company in April, 1904, as a special agent at Bloomington, Tenn., and shortly thereafter was made general agent at Nashville. He had been with the company but a brief period when he qualified for its \$100,000 Club and later when the Quarter Million Club was formed he became a charter member, renewing his membership from year to year.

A. H. Fulkerson, who has been making a striking record in the sale of accident and health insurance at Lexington, Ky., with the Continental Casualty, has gone with the W. E. Lord agency in Cincinnati. Mr. Fulkerson began his work in Cincinnati last Saturday. He is a specialist in the sale of non-cancellable accident and health insurance and feels that the opportunities in Cincinnati will increase his possibilities of sale of this

Mr. Fulkerson was connected with the Richardson & Co. agency.

H. C. Mason, president and actuary of the Columbia Life of Omaha, and Mrs. Mason have been on an extended trip. They attended the Health & Accident Underwriters Conference meeting at West Baden. From there they went to the Adirondacks for a week or so. Mr. and Mrs. Mason then went on to Montreal to attend the annual meeting of the International Claim Association.

To the complete surprise of even his most intimate friends, Myron H. O. Williams, assistant superintendent of agencies of Northwestern Mutual Life of Milwaukee and prominent in social and business circles of the Wisconsin metropolis, was quietly married, Sept. 4, to Miss Genevieve Martin, his secretary for many years. The two are now in northern Wisconsin on a honeymoon. Milwaukee friends who had anticipated a match between the popular insurance man and his charming secretary had no idea that the romance was so near fruition.

M. M. Waddle, general agent at Los Angeles of the American National of Galveston, in charge of the territory embraced by Southern California and the San Joaquin Valley, won second honors in the contest for volume of production which was held by this company from June 1 to Aug. 31, both for his agency and as a personal producer. Under the terms of the contest only one prize could be won by a contestant. The prize awarded to Mr. Waddle was a handsome gold watch.

Vice-president I. A. Morrissett, of the Gem City Life of Dayton, O., and Mrs. Morrissett are being felicitated on a new daughter that has arrived at their home, Anna Morrissett. This young lady is named after her mother. This gives the Morrissett family six girls and one boy.

LIFE AGENCY CHANGES

NAME OHIO STATE MANAGERS

Hawkins & Gumm Agency Is Established at Cleveland and Will Represent the Peoria Life

Paul Hawkins and Karl G. Gumm, through the firm name of the Hawkins & Gumm Agency, have received contracts as Ohio state managers for the Peoria Life.

Both young men bring into the new firm enviable records in organization and personal production. Mr. Gumm for the past three years has been organizer for the Massachusetts Mutual Life, after having engaged in similar work for the Peoria at Paris, Ill.

Mr. Hawkins has been with the Peoria continuously since entering the insurance field in 1917, the most of his time being spent at Ridge Farm, Ill.

FORM NEW GENERAL AGENCY

Aetna Life Transfers F. A. Zart to Cincinnati—William Ford Goes to Toledo With E. E. Blosser

The historic general agency of Collin Ford & Sons for the Aetna Life at Cincinnati is being changed, two general agencies being made out of the old territory. The new general agent at Cincinnati is F. A. Zart, formerly a leading producer of the company in Iowa, where last year he wrote \$1,250,000 besides conducting an accident agency. Mr. Zart is 31 years of age and expects to make the Cincinnati agency hum.

William Ford, eldest son of the original Collin Ford, who has extensive in-

terests in the Owens Bottle Machine Co. of Toledo, as well as other large interests, and who has always been a large personal writer, will continue his connection with the company as a member of the firm of Ford & Blosser, general agents of the Aetna at Toledo, a new agency. C. E. Blosser has been superintendent of agents in the Ford agency at Cincinnati and will remove to Toledo, where the company will have its office in the Gardner building.

Older Cincinnati agents will remember Collin Ford, who was one of the organizers of the Cincinnati Life Underwriters Association, the oldest organization of agents in the country.

S. S. SMITH GOES TO ST. LOUIS

John Hancock Transfers Supervisor From Boston Agency as Associate General Agent

The John Hancock Mutual Life announces the appointment of Sherwood S. Smith to be associate general agent with John P. Baird in St. Louis. This appointment will take effect October 1.

Mr. Smith has received his training and entire experience in the insurance business in the Paul F. Clark agency of Boston. He became affiliated with

this agency Feb. 1, 1922, and has been active and instrumental in the upbuilding and unusually rapid growth of that agency the past three years.

He was born in Boston in 1898 and was educated in the Boston schools. This education he followed by a specialized training in a local business college. He was for a number of years a wholesale grocery salesman and later became connected with the Electric Boiler Corporation in Cambridge, Mass.

Since Mr. Smith's affiliation with the Paul F. Clark agency he has always been among the leaders in personal production, and in April, 1924, was appointed as an agency supervisor. This position he has held until his recent appointment as associate general agent.

Herbert A. Hedges

Herbert A. Hedges has been appointed general agent of the Equitable of Iowa at Kansas City, Mo. Mr. Hedges started with the company in 1919 as a soliciting agent after experience with a Chautauqua system, with which he had become one of the leading field representatives. He was in the military service, a second lieutenant in the marine corps during the World War. He became general agent of Chillicothe, Mo., in 1920, remaining there until 1924, when he moved to Kansas City to be-

come one of the general agents in the agency there.

Raymond K. Tongue

Raymond K. Tongue has been appointed state manager for Maryland with headquarters at Baltimore for the Kansas City Life. Mr. Tongue has been identified with insurance interests at Maryland for the last 20 years. In addition to Maryland, the Kansas City Life has recently been licensed in Pennsylvania, West Virginia, South Carolina, Georgia and the District of Columbia, making a total of 39 states in which this company is now operating.

Cashman & Evans

Cashman & Evans, the well known fire and casualty people at Denver, have opened a life department and have taken the general agency of the Lincoln National Life for the state. Thomas F. Egan has been made manager of the life department. He has been general agent in Colorado for the Lincoln National.

C. L. Swanson

The life department of the Aetna Life has opened a district office in the Alworth building, Duluth. C. L. Swanson, formerly of Minneapolis, has been ap-

A Program of Expansion

Your Attention is Especially Directed to the "History in Figures" Below.

End of Year	Admitted Assets	Liabilities Including Capital	Surplus and Contingent Reserve	Policy Holders Reserve	Insurance in Force
1901	\$ 279,467	\$ 209,109	\$ 70,358	\$ 8,450	\$ 1,301,774
1913	447,095	382,794	64,301	177,252	5,017,574
1918	1,140,608	999,625	140,983	785,414	9,505,850
1919	1,329,362	1,189,053	140,309	978,205	12,538,712
1920	1,590,518	1,437,972	152,446	1,225,573	15,068,390
1921	2,000,827	1,882,556	178,271	1,589,119	17,542,346
1922	2,334,190	2,133,840	210,350	1,892,753	17,548,118
1923	2,641,750	2,358,665	283,085	2,113,221	18,109,824
1924	2,936,981	2,606,433	330,548	2,356,127	20,067,450

We offer policy contracts to meet every human need that can be served by life insurance, cooperation to satisfy every reasonable request by an agent, and a unique pre-approach plan that will furnish you with an unfailing supply of live prospects.

Choice Territory Available in Missouri, Kansas, Oklahoma, Arkansas, Ohio, Pennsylvania, and Texas.

Write today to

Geo. L. Grogan
Manager of Agencies

Bank Savings Life Ins. Co.

Home Office, Topeka, Kansas



Southland Life

Insurance Co.

DALLAS, TEXAS

HARRY L. SEAY, President

Insurance in force
over

\$94,000,000

Admitted Assets

\$10,200,000

Advantageous agency contracts open to men
of ability and integrity in

TEXAS
INDIANA
TENNESSEE
MINNESOTA

Our standards are high, our requirements
strict, but we can offer remunerative and
pleasant agency connections to the right men.

CLARENCE E. LINZ

Vice-Pres. and Treas.

Agency Manager

Provident Mutual

Life Insurance Company of Philadelphia
Pennsylvania — Founded 1865

1865—SIXTY YEARS OLD—1925

PROVIDENT Agents in their ap-
proach have the advantage of the
national advertising of the Company
which is striking and original, and also
of a Direct Mail Campaign.

pointed district manager. Associated
with him will be Dean U. Bakke, local
manager, Joseph Gochey and John
Christensen. The Duluth district in-
cludes all of northern Minnesota.

R. William Steckler

G. L. Maltby, general agent of the
Eastern Kansas Agency of the Equit-

able of Iowa, announces the appoint-
ment of R. William Steckler as city
manager in Topeka, Kans.

John H. McDougall

Announcement is made of the ap-
pointment of John H. McDougall as
manager of the Indianapolis agency of
the Berkshire Life.

EASTERN STATES ACTIVITIES

INTEREST IN MICHIGAN LAW

**Insurance Department Is Watching
Carefully the Applications of Out-
side Agents for Licenses**

LANSING, MICH., Sept. 23.—Al-
though a number of applications have
been received from both property and
life agents in other states, only one
Pennsylvania agent for the Equitable
Life has been licensed by the Michigan
department to do a non-resident busi-
ness in this state under the provisions
of the Gansser act passed by the 1925
legislature.

Efforts of agents or companies to
speed up the department in granting
licenses will be unavailing, Commissioner
L. T. Hands said this week. The com-
missioner wishes to weed out applicants
who want licenses to write single large
lines which would otherwise go to
Michigan agents, and he deems a slight
delay in the issuance of licenses the
best means of preventing any such oc-
currence. A questionnaire system is
being used, the company is required to
make application for the license, and a
certified copy of the agent's license in
his home state must be filed. The law
does not make it mandatory upon the
commissioner to issue the license to any
applicant, and for that reason Mr. Hands
is proceeding very carefully in the mat-
ter of signing certificates of authority.

Life Companies Much Interested

When the measure was first proposed
by the Michigan Association of Insur-
ance Agents, the property and casualty
organization of Michigan, the effect it
would have on life agents was not even
considered, some of the leading prop-
erty agents favoring the bill because of
the fact that its passage would enable
them to obtain licenses in other states
where retaliatory laws had previously
prevented their entrance. Numerous in-
quiries from life companies showed they
were taking an interest in the measure,
however, and when the law became ef-
fective Aug. 27, life agents were among
the first to apply for Michigan licenses.
The commissioner is, however, espe-
cially desirous of keeping any "high-
powered" home office men from being
licensed and sent into this state to write
large life policies. He will, however,
grant licenses to those who prove to his
satisfaction that they wish to transact
a legitimate business on the split com-
mission basis assured by the require-
ment that all policies written by non-
residents be countersigned by resident
insurance men.

Writes \$421,500 in August

INDIANAPOLIS, IND., Sept. 22.—
Considerable space is given in the last
issue of the monthly bulletin of the
State Life to explain how F. J. Rosen-
blatt, general agent and president of the
State Life Million Dollar Club won the
honors as leader of the company's pro-
ducers during August by writing 16 ap-
plications.

In spite of the fact that August is
usually thought of as an "off month,"
Mr. Rosenblatt wrote a total of \$421,500
in 16 applications, two for \$1,000, one
for \$2,500, one for \$5,000, three for
\$10,000, five for \$25,000, one for \$27,000,
one for \$30,000, and two for \$100,000.
Mr. Rosenblatt's total for this year is
already more than \$2,000,000.

PROVIDENT MUTUAL MEETINGS

**Quarter Million Club and General Agents
Association Hold Their Con-
ventions This Week**

PHILADELPHIA, PA., Sept. 22.—The
annual meeting of the Provident Quarter
Million Club, an organization of the
Provident Mutual agents whose individ-
ual production is at least a quarter of a
million of new business yearly, opened
today at Haddon Hall, Atlantic City, N. J.,
with President Isaac B. Miller presiding.
Mr. Miller is in charge of the
Philadelphia agency.

Frank M. Harper of the North Carolina
agency, vice-president of the Quar-
ter Million Club, led a discussion on
"Increasing My Volume of Insurance in
Force—Production and Conservation."
This was followed by an actual demon-
stration of canvassing by members of
the club. Andrew J. Davis, vice-presi-
dent of the Provident Mutual, spoke on
"Our Mutual Problem in Increasing
Sales."

Greetings from General Agents

"The Goods Which You Sell" was the
topic taken by Edward W. Marshall,
associate actuary, while Willard K. Wise,
president of the Provident Mutual
General Agents Association, greeted the
members of the Quarter Million Club
in behalf of that body, which will meet at
Philadelphia this week.

Charles Seely of the Brooklyn agency,
vice-president of the club, presided
at the banquet held this evening, at
which Wilbur E. Johnson, vice-presi-
dent of Marshchalk & Pratt, Inc., spoke
on advertising. William D. Burruss of
Kansas City, widely known as an in-
spirational sales counselor, spoke on "How
or How to Make More Money."

Interesting Program for Second Day

Topics for the second day of the con-
vention include investment problems of
a life insurance company, the real form
behind life insurance, direct sales meth-
ods, some ideas for a new day, and the
session will be brought to a close by an
address by M. Albert Linton, vice-
president of the company, on "The
Provident of the Future."

There will be no business session on
Wednesday, but as an aftermath the
members of the club will be invited to
attend the 60th anniversary celebration
at the new home office at Philadelphia,
where a supper and an entertainment
will constitute the program after the
exercises.

General Agents Meet Thursday

The annual convention of the general
agents of the Provident Mutual will
open in Philadelphia Thursday morn-
ing, with Willard K. Wise, president of
the association, presiding. The address
of welcome will be delivered by Asa S.
Wayne, president of the Provident
Mutual, with response by Mr. Wise.

The feature address of the first day's
meeting will be by Charles A. Atwood,
of the general agency of central Illinois,
on "What I Do for the New Special
Agent During His First Year." A dis-
cussion of this subject will be in charge
of James H. Cowles of Denver, No-
thaniel Reese of Detroit, Joseph E.
Lockwood of Kansas City and Alfred
Matthews of San Francisco. Mr. Wise,
who is general agent for eastern Penn-
sylvania, will open the afternoon session
with a discussion on "Trust Companies

service in Cooperation With Insurance Salesmen," and will be aided in this discussion by Franklin F. Jones of the Provident Trust Company.

Will Discuss Sales Resistance

A discussion on "Lessening Sales Resistance," by S. G. Landon, general agent at Harrisburg, and Louis F. Paret, general agent of New Jersey, will follow. After these two have given their views on the subject, Graham C. Wells, general agent of New York City, will give his views.

The program for Friday morning includes a report on 1924 agency expenses and a discussion of district agents and supervisors by George W. Ryan of Pittsburgh and Robert H. Walker of Baltimore. In the afternoon Franklin C. Moss, manager of agencies, will speak on "At Your Service."

Had Big August

The production of written business by the agency force of the Detroit Life for August was \$1,347,000 in Michigan, according to Homer Guck, assistant to the president. This brings the total for the year up to \$14,974,000. The August production is \$400,000 in excess of the production in August, 1924, and the total for the year to Sept. 1 is an increase of 34 percent over the same period last year. The record of paid-for business by the Detroit Life in August, 1925, was \$1,236,000. "If our agency force maintains its present ratio of production for the remainder of the year, the Detroit Life writings in 1925 will total in excess of \$18,000,000," said Mr. Guck.

Will Have Connecticut Day

Encouraged with the success attending insurance day last year representatives of Connecticut insurance interests have determined to make the affair an annual event and will hold their next gathering Nov. 18, presumably at Hartford as before, though this has not been definitely determined upon. A committee made up of representatives from all

divisions of underwriting as well as from local agency ranks will work out detailed plans for the roundup.

Takes Out Group Policy

The Cincinnati Underwriters Agency of Cincinnati has closed the Pure Oil Company for group life insurance. The Cincinnati branch office of the Travelers, B. Gates Dawes, Jr., vice-president of the Eureka Security Fire & Marine and of the Cincinnati Underwriters Agency and L. W. Arey, manager of the casualty department of the agency, did the selling to the Pure Oil Company. The Travelers was represented by Earl Huntley, manager of the Cincinnati office.

This deal of the Pure Oil Company involves 8,000 lives. The insurance is to be placed on a contributory plan, employees to pay 60 cents per month per \$1,000. They may buy from \$1,000 to \$5,000 coverage, according to the salary received. Travelers' representatives will begin a canvass of employees of the Pure Oil Company at once.

Urges Federation Membership

PHILADELPHIA, PA., Sept. 23.—Secretary G. A. Dette of the Insurance Federation of Pennsylvania has just issued an attractive leaflet telling why every insurance man should be affiliated with the Federation. The arguments set forth by the Federation can be just as readily applied to any other insurance body. A few of the prominent insurance men setting forth their arguments for Federation membership include Thomas B. Donaldson, former insurance commissioner of Pennsylvania; W. M. Goodwin, president of the Federation; H. K. Remington, manager of the Aetna companies at Philadelphia; Oliver C. Hurst of the Hurst, Anthony Company, general agents; Walter G. McBlain, life insurance man of York, Pa., and R. R. Dearden, Jr., editor United States Review.

Petition for Reinsurance

A petition has been filed with Harry L. Conn, superintendent of insurance of Ohio, by the Capital Life of Columbus, formerly known as the Capital Savings Life, for permission to reinsure in the Gem City Life of Dayton. Petition will be heard Oct. 3.

IN THE MISSISSIPPI VALLEY

MODIFICATION IS UNDERTAKEN

Kansas Insurance Commission Begins Study of Laws Relating to Life Companies for This Purpose

TOPEKA, KANS., Sept. 23.—The Kansas insurance commission has begun the study of the laws relating to life insurance companies. The commission was created by the 1925 legislature to re-write and codify the insurance laws of the state. It is composed of William R. Baker, superintendent of insurance, and these members of the legislature: E. R. Thorne, state senator, Olathe; E. R. Sloan, Holton; Douglas Hudson, Fort Scott, and H. K. Lindsey, Wichita, members of the house of representatives.

The commission is holding the first formal meetings this week at the office of the superintendent of insurance. It will meet regularly now the third Monday of each month and will be in session two or three days each month. There may be special meetings at any time.

Present Approved Code

The Association of Life Insurance Presidents and the American Life Convention sent F. G. Dunham from New York to present the proposed life insurance code. This code was drafted some years ago by a special committee of the two organizations and has been approved by both organizations as an ideal code for life insurance companies. It has not been adopted in any state but sections have been used in some states. The entire code was submitted to the Kansas commission by Mr. Dunham and was discussed to some extent by the commission. It will be taken home by the members, checked with the pres-

ent Kansas statutes relating to life insurance and with the laws in other states. At a later meeting the commission will hear further detailed arguments on the various sections and will work out its own proposals to fit the exact Kansas needs.

The Guaranty Fund Life of Omaha presented some sections to the proposed life code as relating only to the mutual assessment associations. There are only three of this class of companies operating in Kansas at the present time. The Kansas Fraternal Congress has a committee at work drafting a section of the proposed life code relating only to the fraternal organizations. It will be presented and the arguments made at a later session of the commission.

OPPOSE OLD AGE PENSION LAW

Opponents Claim That It Would Increase Burden on Already Overtaxed Citizens of the Country

MILWAUKEE, WIS., Sept. 23.—Bitter and at times acrimonious discussion characterized the open meeting of the Milwaukee county board joint committee on judiciary and finance held to determine whether or not Milwaukee county will take advantage of the old age pension law of the state. This law passed at the last session of the legislature leaves its local adoption up to each county board.

More than 100 persons were present at the meeting. Representatives of business and industrial concerns, several legislators and many private citizens argued that adoption of the pension system would increase pauperism, encourage improvidence, and place a staggering tax burden upon the already

Another Forward Step

The Salary Savings Plan opens a new and broad field of life insurance distribution. This Company has adopted it, and thus maintains its front-rank place among the progressive companies whose leadership has been gained by vision and initiative.

This Plan gives life insurance at its best to groups of salaried employees and wage-earners in return for monthly premium payments.

Always room in this organization for men and women who have the forward look, and who look with intelligence and industry and integrity. Unexcelled service, together with three fine monthly agency publications and first-class advertising literature, supply our representatives with an unsurpassed equipment.

The Penn Mutual Life Insurance Company

Philadelphia, Pa.

Organized 1847

If	If
Territory does make a difference	You are a producer
If	If
Close cooperation is necessary	You believe in yourself
If	If
A friendly interest is needed	You want a REAL job

Write or wire

S. M. CROSS, President

COLUMBIA LIFE
INSURANCE COMPANY
Cincinnati, Ohio

LIFE INSURANCE COMPANY OF VIRGINIA

INCORPORATED 1871
RICHMOND, VIRGINIA
Issues the most liberal forms of ORDINARY Policies from \$1,000.00 to \$50,000.00 with premiums payable annually, semi-annually or quarterly and INDUSTRIAL Policies from \$12.50 to \$1,000.00 with premiums payable weekly
CONDITION ON DECEMBER 31, 1924

Assets	\$ 41,521,243.17
Liabilities	\$ 30,184,159.74
Capital and Surplus	\$ 5,337,122.43
Insurance in Force	\$73,540,675.00
Payments to Policyholders	\$ 3,036,319.86
Total Payments to Policyholders since Organization	\$25,784,315.18

JOHN B. WALKER, President.

THE OLD LINE CEDAR RAPIDS LIFE INSURANCE CO.

A Good Western Company

Up-To-Date Policies Liberal Contracts
Good Opportunities in
Iowa, South Dakota, Minnesota, Nebraska
Cedar Rapids Iowa

CHICAGO NATIONAL LIFE

Ranks Third There's a Reason

The following figures taken from the official report of the Insurance Department of Illinois show the amount of new business written in 1924, by the Legal Reserve Life Insurance Companies of Illinois in their home state. This does not include insurance in force or business written in other states.

Illinois Companies	Began Business	Present Age	Business Written in Illinois, 1924	Rank
Illinois Life	1893	32	\$12,481,121	1
Peoria Life	1908	17	8,609,556	2
CHICAGO NATIONAL LIFE	1922	3	8,677,832	3
Franklin Life	1884	41	6,609,547	4
National Life, U. S. A.	1868	57	5,488,638	5
Continental Assurance Co.	1911	14	5,136,888	6
Mutual Trust Life	1905	20	4,886,610	7
Central Life of Illinois	1907	18	4,080,936	8
Mutual Life of Illinois	1920	5	3,818,987	9
Rockford Life	1910	15	2,878,075	10
Old Colony Life	1907	18	2,651,204	11
North American Life	1912	13	2,328,963	12
Liberty Life	1921	4	2,258,346	13
Peoples Life	1908	17	2,211,144	14
International L. & T.	1916	9	1,843,762	15
Clover Leaf L. & C.	1919	6	1,601,083	16
American Bankers Life	1910	15	1,450,300	17
U. S. National L. & C.	1923	2	1,280,335	18
Providers Life	1916	9	901,888	19
Victory Life	1924	1	742,616	20
Federal Life	1900	25	690,992	21
Northwestern Union Life	1923	2	417,516	22
Public Life	1920	5	374,397	23
Springfield Life	1924	1	261,500	24

Our Company is growing fast.
Our policy contracts are simple and liberal.
Our premium rates are as low as the lowest.
We pay liberal commissions to our agents.
Territory open in Illinois, Indiana, Iowa, Kentucky and Missouri.
For further information address

A. E. JOHNSON

Agency Manager

202 South State Street

Chicago, Illinois

THE ROYAL UNION LIFE INSURANCE COMPANY

Des Moines, Iowa

Strong and Progressive

Paid to Policyholders—

Over—\$19,000,000.00

Insurance in Force—

Over—\$138,000,000.00

A. C. Tucker, President

D. C. Costello, Secretary

Wm. Koch, Vice Pres.

overburdened taxpayers of the county. Representatives of several fraternal organizations, notably the Fraternal Order of Eagles, proponent of the measure at the state legislative sessions, urged that the system afforded relief against the spectre of the poor house and mistreatment of aged citizens. The state law provides that, when in effect, two-thirds of the cost of the measure be borne by the cities and communities in the counties affected. The burden for Milwaukee county may range from \$1,000,000 to \$2,200,000 according to estimates stated at the hearing.

License Is Refused

Charles Hobbs, actuary for the Kansas insurance department, has refused a certificate of authority to an Arkansas insurance company on the ground that the company officials are not turning into the company treasury all the money received as interest on certificates of deposit and daily balances of the company. The company appears to be in good shape financially. An examination some time ago revealed that the company itself was not receiving any interest on deposits and the convention examiners included a statement to this effect in their report. Up to the time of the next examination the company treasury received over \$1100 a year in interest, but the financial statement of the company shows no interest had been received by the company since the last examination. The practice of officers of insurance companies taking interest on company deposits for their own use is illegal in Kansas and the insurance department felt that it could not admit a company doing something which may be legal in its home state but is illegal if the company were domiciled in Kansas.

Equitable's State Fair Booth

The Equitable Life of Iowa had a booth in a prominent place at the Iowa State Fair and proceeded to attract the attention of thousands of visitors. The center of interest was a miniature reproduction of the home office building, constructed of steel with glass windows, lighted to produce a night effect.

The booth was sponsored jointly by

the home office and by the St. John Carter agency of Des Moines.

Interest in Iowa Suit

Life insurance circles are considerably interested in a suit started in Fremont county, Ia. In 1920 G. B. Franklin, cashier of the Bank of Hamburg, Hamburg, Ia., went to Omaha on a business trip. He had \$8 in money, enough to meet expenses of the trip. During the day he telephoned his family that he had missed his train and would be home on a later one. That was the last heard from him.

A few months ago G. M. Paul, Hamburg, was appointed administrator of the estate, and has now brought suit against eight life companies for \$3000 of policies held by Mr. Franklin. Companies which are made parties to the suit are the Northwestern Mutual Life Bankers Life of Des Moines, American Life, Cedar Rapids Life, Mutual Life of New York, St. Joseph Life, Equitable Life and Equitable Life of Iowa. A man is not legally dead in Iowa until he has been gone seven years, attorneys interested in the case say they have proof of his death which they will establish. Details of the case are not disclosed.

Plan for Labor Company

PHILADELPHIA, Pa., Sept. 23.—The final conference for the organization of the new Union Labor Life—backed by the American Federation of Labor—will be held at Atlantic City Oct. 3. Matthew Will, vice president of the Federation, and chairman of the organization committee to form the new company, was in this city last week consulting with D. Wood, the insurance adviser of the Federation and the new company.

Plans are going forward apace for this new company which plans to sell life insurance to all the labor ranks at a reasonable cost. It will be a stock company and the sales of stock will occupy a good part of the fall season. It is expected that the company will be ready to issue policies around Jan. 1, 1926.

IN THE SOUTH AND SOUTHWEST

BADGES FOR THE OKLAHOMANS

Delegates at Kansas City Will Have Headquarters and Reserved Section; Plan Activities

OKLAHOMA CITY, OKLA., Sept. 24.—The Oklahoma delegation will establish headquarters at the national convention of life underwriters at Kansas City. Appropriate badges are being obtained to designate the delegates, and plans are being arranged so all Oklahoma underwriters can sit together on the convention floor.

One of the classes of the life underwriting school was adjourned one day last week to permit the selling of the state and national associations to the students. The result was that practically 100 percent of the student body from Oklahoma presented applications for membership. The Oklahoma association has planned a banquet for Friday night, Sept. 25, for the students, faculty, and members of the association.

Kirks Goes to Norfolk

Harry J. Kirks, agency director at Richmond, Va., for the New York Life for the last eight years under Thad C. Bell, inspector of agencies, will be transferred to Norfolk November 1, it is announced, and placed in charge of agency organization work in Tidewater Virginia and eastern North Carolina. He will succeed R. R. Rutledge, agency organizer there for several years, who is to be brought to Richmond.

ARE STAYING OUT OF TEXAS

In Spite of Invitations, Companies Show Little Desire to Reenter While Robertson Law Remains

DALLAS, TEX., Sept. 23.—There is little chance that old line companies which left Texas when the Robertson act was passed will return to the state to lend money, though the ruling of the attorney general was to the effect that they might without obstructions. Dallas insurance men and attorneys declare that the companies will not return because they fear that to do so would bring about suits to recover taxes and penalties, and even if those suits were defeated it would involve unnecessary expenses to the companies. One lawyer representing one of the companies which planned to reenter the state for the purpose of lending money said his client has decided not to return to Texas.

The decision of the companies to remain out after the ruling was favorable to them is taken to mean a bitter fight is in the offing for a repeal of the Robertson act, which would permit the companies to return for doing all kinds of business. This fight is already under way and has the support of some of the wealthiest men in the state. But it is now believed a campaign will be launched immediately to "educate" the people of Texas to the necessity of repealing the Robertson act in order that cheaper money will be found in the state.

It is believed this campaign will

September 25, 1935

be guarded with some secrecy and develop into an advertising and publicity drive calculated to influence members in the election of members of the legislature for the next session. It is foregone conclusion that a repealer will be offered at the next session of the legislature. If the Ferguson regime returned to office, it is probable that the repealer would be successful.

Texas Insurance Week

Last week was a big week insurance-wise in Texas. The governor, Mrs. Miriam A. Ferguson, issued a proclamation designating the week Sept. 14 to 19 Insurance Week in recognition of the efforts of the National Association of Insurance Commissioners and of the Insurance Marshals' Association of North America which were held in San Antonio. This is the first time either of these organizations has met in Texas. The insurance people of Texas proved themselves excellent hosts. The visitors were looked after from the moment they landed in Houston Saturday pre-arranged convention right up to the time of their departure from the state the following Saturday.

Opens Insurance Courses

L. G. Edinger, former instructor in the Wharton school of finance of the University of Pennsylvania, will teach classes in life and property insurance in the school of business administration of the University of Richmond, Va., it is announced. He will have classes both morning and evening. Mr. Edinger holds degrees of B.S. and M.A. from the University of Pennsylvania.

Rockford Life in Georgia

The Rockford Life of Rockford, Ill., has started an organization in Georgia. It will have offices in Atlanta, Savannah, Augusta and Macon. R. E. Beysiegal is state manager at Atlanta.

Lovelace Talk Holds Crowd

OKLAHOMA CITY, OKLA., Sept. 24.—The customary dissembling of the crowd at the regular chamber of commerce luncheon, Thursday noon, was checked by the unusual interest displayed in an address by Griffin M. Lovelace of New York, who is conducting the school of life insurance salesmanship here. Mr. Lovelace spoke on "Your Own Life Insurance."

New Texas Commissioner Ready

FT. WORTH, TEX., Sept. 23.—Effective Oct. 1, R. L. Daniel of Victoria will succeed Judge John M. Scott as insurance commissioner of Texas. Judge Scott has announced that he will return to Ft. Worth to engage in the insurance business, where he will be associated with H. A. Wittliff and also with the International Life of St. Louis. The new commissioner is not as well known in the insurance circles of Texas as he is in the business world.

Jordan Heads Louisiana State

J. Homer Jordan has been elected president of the Louisiana State Life, succeeding the late Capt. W. T. Crawford. Mr. Jordan is a banker in Shreveport and became interested in the Louisiana State Life at its organization. He has been serving as vice-president.

Lauds Fight on Disease

DALLAS, Tex., Sept. 23.—At a recent meeting of the board of directors of the International Travelers & A. of Dalls, high tribute was paid to Dr. H. O. Sattington who has been doing good work as president of the state board of health and his corps of assistant. President Cross set forth the claim that the health board and inspectors have scored a great victory in the fight against disease-spreading mosquitoes and flies in Texas and the result is shown by a decline in the disease commonly spread by these pests.

Complete Coverage Contract

HAVEN'T you frequently found the place where the prospect, feeling the need for coverage, wanted it complete—for disability as well as death—for the uncertain as well as for the certain. The need here is for one single and simple, yet thoroughly complete, policy.

The Complete Coverage Contract, sold by agents operating under the American Central Plan, makes it possible to do this very thing. These men sell Life Insurance—not simply Death Insurance.

This is a part of the Plan. The pre-selection of prospects, the pre-approach, the canvass, control of the interview, close, the handling of notes, and definite resale campaign are all parts of this Plan by which successful agents are professionalizing their insurance work and their insurance service.

Any agent who feels that he might be interested in more details concerning the plan may readily secure them by writing today to



Perhaps the most comprehensive field development program in existence today. One phase is described in this advertisement.

AMERICAN CENTRAL LIFE

INSURANCE CO.

INDIANAPOLIS

ESTABLISHED 1899

HERBERT M. WOOLLEN, President

NUMBER ELEVEN IN A SERIES OF INFORMATION ADVERTISEMENTS



George Washington Life Insurance Company

CHARLESTON, WEST VIRGINIA

HARRISON B. SMITH, President

presents opportunity for liberal contracts covering definite territory with Home Office registry and with power of appointment of sub-agents.

The States of West Virginia, Virginia, Ohio, Kentucky, Tennessee, South Carolina, North Carolina, Georgia, Michigan, Oklahoma and Washington.

Address

ERNEST C. MILAIR, Vice-President and Secretary

THE SECURITY LIFE INSURANCE CO. OF AMERICA

O. W. JOHNSON, PRESIDENT

**WANTS: A FIELD ORGANIZER
CONTRACT—SALARY AND EXPENSES**

**WANTS: GENERAL AGENTS AND MANAGERS
CONTRACT COMMISSIONS OR COMMISSIONS
AND EXPENSE ALLOWANCE**

Only Men of Experience Whose Records Will Bear the Closest Inspection Will Be Employed

Address S. W. GOSS, Vice-President, The Rookery, Chicago, Ill.

PACIFIC COAST AND MOUNTAIN FIELD

DENVER TO HAVE LIFE CLASS

Course to Be Held Under Supervision of Colorado Life Underwriters Association and Y. M. C. A.

DENVER, COLO., Sept. 23.—A new course in life insurance underwriting is to be taught this year at the Denver Y. M. C. A. under the joint auspices of the Colorado Life Underwriters Association and the Denver Institute of Technology of the Y. M. C. A.

The insurance organization appointed a committee to outline the course of study, and secure an instructor and lecturers who are experts in various phases of the life insurance business. This committee is composed of Curt A. Schroeder, of the Northwestern Mutual; James H. Cowles, of the Provident Mutual; Harry A. Hunsaker, of the Travelers; Sanford Stewart, of the Capitol Life; and Isadore Samuels and Ralph F. Taylor, president and secretary of the Colorado Life Underwriters.

Pick Burton as Instructor

Russell F. Burton, special representative of the New England Mutual, has been chosen as instructor of the course. He is an Indiana University man and has had special training in the agency school conducted by his company in Boston. W. R. Wilkerson of the Mutual Benefit will have a team of enrollment workers in the field during the Y. M. C. A. education week campaign.

Only men and women who are now employed in some capacity by a life insurance company, or those who have received a letter from some general agent, recommending their acceptance in the school, will be admitted to this course. The class will meet twice a

week for four months with a tuition of \$35.

Little Rock Managers Elect

The Life Insurance General Agents & Managers' Association of Little Rock, Ark., elected officers this week. J. D. Arnold, general agent of the Central Life of Iowa, was elected president and John C. Holloway, manager of the Travelers, was elected secretary and treasurer. It is a policy of this association to invite all general agents and managers of regular reserve life insurance companies to become members.

Entertains Business Men

Rudolph Dunbar, district manager of the Canada Life at Los Angeles, Cal., gave a luncheon last week which was attended by about 75 of the prominent business men of the city. Following the luncheon Mr. Dunbar addressed the meeting upon the subject of estate analysis, in connection with which he used a series of special charts that he has originated and which have been found very effective in directing attention to salient points.

Take Group Coverage

Three Wisconsin shops of the Soo Line railroad are affected by the recent action of the Soo Line Shop Employers Association which has completed arrangements with Metropolitan Life for group protection for members against death, dismemberment and ill-health with a total coverage of more than \$1,500,000. Each member who contributes toward premium payments receives \$1,000 life insurance protection and \$1,000 death or dismemberment protection.

Life Companies!

6% Real Estate Mortgages
are a profitable investment

THE Irving National Mortgage Company, an experienced and conservative house, offers to insurance companies for investment an unusually attractive group of 6% Gold Mortgages which meet in every particular the requirements of insurance companies.

All of these mortgages are secured by real estate and buildings located on Chicago's great Northwest side, a stable and flourishing section of the city. They are offered only after a most thorough investigation of the property and borrower and after receiving the approval of a loan committee composed of Real Estate men, Contractors and Bankers of wide experience.

This proposition is sound and awaits your investigation. We are confident that we can serve you to advantage.

Irving National Mortgage Co.

Under National Bank Management

4201 Irving Park Blvd.

CHICAGO, ILLINOIS

Offices with
Albany Park National Bank
Irving Park National Bank
Portage Park National Bank

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual Digest" and "Little Gem." Published Annually in May and April respectively. PRICE, \$3.50 and \$2.00 respectively.

CHANGES IN SALARY SAVINGS

Connecticut General Increases Age Limit to 55; Cuts Required Number of Applicants to 10

The Connecticut General has announced several important changes in its underwriting rules in connection with the salary savings plan. The minimum number of employees required under the revised schedule is 10 as compared to 20 heretofore. The age limit for this form of coverage has been increased from 50 to 55 and the company will consider applications up to \$10,000 without medical examination unless the applicant is apparently unhealthy.

If 75 percent of the employees of a concern and at least 50 lives are insured, policies for a minimum amount of \$10,000 may be issued regardless of physical condition. Any of the non-participating policies issued by the Connecticut General may be obtained on this plan and the company's disability provision may be included.

Connecticut Mutual

The Connecticut Mutual Life announces a monthly premium insurance plan with a limitation of \$10 minimum premium monthly.

New limits of insurance were announced by the company according to the schedule below:

Limits of Insurance—Male Lives

Nearest Age	Life and Endowment
Under 20	\$ 75,000
20	75,000
21	100,000
22	125,000
23	150,000
24	175,000
25-50	200,000
51	185,000
52	170,000
53	155,000
54	140,000
55	125,000
56	110,000
57	100,000
58	90,000
59	80,000
60	70,000
61	50,000
62	40,000
63	30,000
64	25,000
65	25,000

The company also announces the issue of a new form of annuity policy, so-called Form 24 and 24H under the title of Annual Premium Deferred Life Annuity, Guaranteed Minimum Return (first annuity payments due at nearest ages 55, 60 and 65), nonparticipating with and without disability benefits.

AETNA LIFE'S DIVIDENDS

Scale Announced Recently for 1934 Compared With Old Scale

The following is a comparison of new and old dividends of the Aetna Life on its participating business. The new scale was announced recently at the meeting of general agents at Polaris Springs, Me.

ORDINARY LIFE

Age	Premium	Year	1st Div.	2nd Div.	3rd Div.	4th Div.
20	\$16.86	'25	\$2.34	\$2.41	\$2.48	\$2.55
		'26	4.00	4.07	4.14	4.20
30	21.49	'25	2.84	2.94	3.05	3.16
		'26	4.54	4.64	4.74	4.84
40	29.38	'25	3.70	3.86	4.03	4.20
		'26	5.48	5.63	5.79	5.94
50	43.73	'25	5.28	5.51	5.77	6.03
		'26	7.18	7.42	7.67	7.92
60	71.03	'25	8.23	8.59	8.95	9.31
		'26	10.41	10.76	11.10	11.44

20-PAYMENT LIFE

20	\$25.00	'25	\$2.51	\$2.66	\$2.82	\$2.94
		'26	4.25	4.39	4.54	4.69
30	29.95	'25	3.91	3.20	3.40	3.61
		'26	4.80	4.98	5.17	5.37
40	37.53	'25	3.87	4.11	4.37	4.63
		'26	5.73	5.96	6.21	6.46
50	50.29	'25	5.39	5.71	6.03	6.37
		'26	7.37	7.68	7.98	8.21
60	74.43	'25	8.30	8.70	9.10	9.50
		'26	10.51	10.89	11.27	11.66

20-YEAR ENDOWMENT

20	\$45.45	'25	\$2.93	\$3.29	\$3.66	\$4.05
		'26	4.86	5.20	5.56	5.93
30	46.60	'25	3.36	3.72	4.10	4.49
		'26	5.31	5.65	6.02	6.39
40	49.27	'25	4.11	4.48	4.86	5.25
		'26	6.08	6.43	6.80	7.17
50	56.64	'25	5.53	5.91	6.31	6.71
		'26	7.58	7.94	8.32	8.70
60	76.46	'25	8.32	8.74	9.16	9.59
		'26	10.57	10.97	11.37	11.78

Continental Life

The Continental Life of St. Louis has entered the field of salary savings insurance and will write any of its regular forms and policies under this plan except term. The minimum is a total of not less than \$10,000 on five lives and no policy for less than \$1,000 will be issued. No medical examination will be required when ten lives are covered, but the company reserves the right to demand examination of any applicant where the amount is \$2,500 or more on any one person.

Massachusetts Mutual

The Massachusetts Mutual Life announces that it will adopt the salary deduction plan as of Jan. 1, but it will be entirely on a medical basis.

IN THE ACCIDENT AND HEALTH FIELD

NEED NOT BE STEADY READER

Kansas Department Makes Important Ruling on Dollar a Year Newspaper Accident Policies

TOPEKA, KANS., Sept. 23.—The dollar a year accident companies which have been doing a large business through newspaper advertising cannot compel a Kansas policyholder to be a regular newspaper reader as a part of the insurance contract. William R. Baker, superintendent of insurance, and Charles Hobbs, actuary for the department, have refused to approve the policy form of one of these accident companies. The policy contained an added provision to the usual standard provisions of accident policies. This pro-

vision was that the holder should be a regular reader of the newspaper in which he saw the advertising and from which he clipped the coupon on which he applied for the insurance.

No Connection With Policy

The ruling of the Kansas department was that the requirement that a policyholder be a regular reader of some newspaper had no direct connection with the insurance and should not be permitted. It was pointed out that a policyholder might be having his eyes treated or go on a long vacation and not be able to read the newspaper named in the policy for a month or several months. The Kansas department felt that there was too much danger of a company making the plea that the holder had not been a regular reader of some newspaper while the

Changes in Manual
respectively.

VIDEND

y for 1906

Old

arison of
Aetna
The
ently at
s at Pol

E

Div.

th

2.29

4.29

5.37

4.43

6.46

6.37

8.31

9.80

11.66

NT

\$4.05

5.93

4.49

6.39

5.25

6.17

6.71

7.70

9.59

11.78

Louis has

avings in

ta regular

plan ex-

a total of

lives and

0 will be

vered, but

ht to de-

applicant

more on

Life an-

salary

at it will

Policy was in force or at the time of the accident and this might offer an opportunity to repudiate the claim.

National L. & A. Changes

The National Life & Accident has promoted F. D. Robinson to the Youngstown, district to a superintendency there. C. McLarry of the Florence, Ala., district has been promoted to the superintendency in that district. E. L. Jackson of New Orleans, No. 1, has been promoted to the superintendency in the New Orleans No. 2 district. J. G. Mealer, formerly superintendent in charge of the Henderson staff has been transferred to Ensley, Ala., where he will have charge of one of the district staffs.

Good Experience on Gridiron Policies

GREEN BAY, WIS., Sept. 23.—A comparatively new and unexplored field for insurance has been successfully tapped by the Midland Casualty of Milwaukee, which for the last two years has insured the Green Bay Packers football team against accident sustained in gridiron contests. The average accident insurance company balks at writing contracts such as Midland has had with the local team, according to Joseph F. Kaatz, general agent for the company in Green Bay, who points out that rates for such insurance are usually too high for the average player to protect himself. For the past two years Midland Cas-

ualty has been insuring the Green Bay Packers; Latham Athletics of Milwaukee; "Red Devils" of Lake Geneva; American Legions of Racine, and the Bradley Knitting Team of Delavan. The experience has been good and while many of the players benefited by compensation for minor injuries, the premium income was such that the enterprise was remunerative for the company. Players liked the policy so well that in several instances they continued it in force for the remainder of the year. The company is now going out strongly after this business.

Payment Insurance Advertised

DETROIT, MICH., Sept. 23.—Payment insurance furnished by the Central West Casualty of this city is being featured as a sales attraction by Story & Clark, Detroit piano dealers, who are pointing out that every purchaser will be given, without any charge, a policy guaranteeing that the insurance company will make all payments on the piano if the purchaser is unable to do so because of accident or sickness. In the event of accidental death the piano firm advises that the insurance company will pay the entire balance of the contract.

Protective Mutual Licensed

The Protective Mutual Casualty of Chicago has been licensed by the Illinois department to do an accident and health business.

WITH INDUSTRIAL MEN

WESTERN & SOUTHERN OUTING

Thirty-one Leading Superintendents in Recent Ordinary Drive Entertained at Home Office in Cincinnati

CINCINNATI, O., Sept. 23.—The Western & Southern Life recently invited 31 of its leading superintendents who showed the highest records in the production of ordinary during supremacy week, to the home office, tendering the winners a warm reception. The Western & Southern set a new high mark for itself in ordinary production in one week, when the entire field responded to the call for more ordinary production and rolled up the biggest week in all of the 37 years of the company's history. The total production was \$5,037,800, with an average per man for the week of \$2,031.

Cities Work in Training Force

After a brief reception in the home office auditorium, where President W. J. Williams gave the guests a hearty welcome and expressed his appreciation of their cooperation in establishing the new record, the entire party started on a pleasure trip. In his address President Williams said that his company, like most other industrial companies, started business solely as an industrial company, later establishing the ordinary department. It took many years of hard and patient labor to train the field force to its present standard in the production of ordinary, but President Williams said that today the field force as a whole may be said to be two handed producers, writing ordinary and industrial with equal facility. Other speakers were Vice-President Clyde P. Johnson and Director A. I. Vorys.

After this meeting the party took a river trip to Coney Island where they had luncheon, then a sight seeing trip by automobile, ending up at the Zoo where they had dinner and later attended the concert, fashion show and ice skating display.

John Hancock Changes

Following the retirement of William H. McCormick as superintendent of the John Hancock Mutual weekly premium agency at Dayton, O., Andrew Mack, former assistant superintendent in one of the New York agencies, has been appointed as his successor. Mr. McCormick has returned to the Baltimore weekly premium agency as assistant superintendent. The changes are effective as of Oct. 5.

NEWS OF PUBLIC SAVINGS

Company Announces the Establishment of a New District at Shelbyville—New Superintendents Named

A new district has been created by the Public Savings at Shelbyville, Ind., including Shelbyville, Greensburg, Aurora and Rushville superintendencies. R. E. Davis, for many years superintendent at Shelbyville is made manager of the new district.

Recent changes in the field are: A newly created superintendency at Rushville, Ind., is announced. Agent F. E. Wertz is promoted to Superintendent at Shelbyville, Ind. Agent G. W. Coons is promoted to superintendent at Rushville, Ind. Agent C. F. Kahle, Indianapolis North, is promoted to superintendent. Superintendent W. I. Stone is transferred from Indianapolis North to Indianapolis East, to take charge of a newly created superintendency. Superintendent W. T. Davis, Columbus, O., transferred to Indianapolis North. Agent B. E. Allen is promoted to superintendent at Columbus, O. Agent C. E. McCulloch is promoted to superintendent at Kokomo, Ind. Agent H. E. Cowman, Springfield, O., is promoted to superintendent.

Ralph Enos of Seymour, Ind., has been reappointed superintendent of the Seymour district of the Public Savings Life and C. V. Chesser, who held the position, has been sent to Greensburg as superintendent of that area. Mr. Enos was in charge of the Seymour area until about a year ago when illness forced his temporary retirement.

News of the Prudential

Agent Lester W. Parr of the Madison, Wis., district of the Prudential, is the division leader in amount of net ordinary new business.

Agent Russell S. Stewart of the Detroit No. 4 district is showing good progress in ordinary.

Assistant Superintendent Clayton D.

THE COLUMBIAN NATIONAL LIFE INSURANCE COMPANY

BOSTON, MASSACHUSETTS

Arthur E. Childs, President

Columbian National Agents can offer the best in

LIFE, ACCIDENT, AND HEALTH INSURANCE

Columbian National Policies make selling easier

Policies backed by one of the very strongest companies in the country, having ample capital, surplus and highest standard of reserves. Exceptional opportunity is offered to salesmen of character and ability. Communicate at once with AGENCY DEPARTMENT, 77 Franklin Street, Boston.



THE CENTRAL LIFE INSURANCE COMPANY

Fort Scott

Kansas

Oldest Kansas Company

Agency Openings In Kansas and Missouri

Ninth in the U. S. A.



In 14 years this Company developed an accident and health business that placed it in 9th place among all the companies of the United States in amount of disability claims paid. And it is now making equal progress in the development of the Life Insurance Department.

BUSINESS MEN'S ASSURANCE COMPANY

W. T. GRANT, President

KANSAS CITY, MISSOURI

We have opportunities for Agents in Arkansas, Illinois and Iowa

International Life & Trust Company

Home Office: MOLINE, ILLINOIS

Grange Life Insurance Company

Lansing, Michigan

N. P. HULL, President

NET ASSETS HIGH

INVESTMENT RETURN HIGH

POLICY VALUES HIGH

OVERHEAD LOW

If ambitious, look us up. You'll find an unusually substantial record and liberal policy toward salesmen and sales organizers.



LIFE & DISABILITY
LINCOLN, NEBRASKA
M. D. HATCH
 PRESIDENT
 Liberal Agency Contracts

HOME LIFE

Insurance Company of New York

ETHELBERT IDE LOW,
 President

The 65th Annual Report Shows:

Premiums received during the year 1924 **\$8,003,453**
 Payments to Policyholders and their Beneficiaries in Death Claims, Endowments, Dividends, etc. **6,321,524**
 Increase in Assets **2,801,996**
 Actual Mortality 62.4% of the amount expected.
 Insurance in Force **\$260,530,414**
 Admitted Assets **51,457,218**

FOR AGENCY APPLY TO
W. A. R. BRUEHL & SONS
 General Managers
 Central and Southern Ohio and
 Northern Kentucky
 Rooms 801-806 The Fourth Nat. Bank
 Building
CINCINNATI, OHIO
HOYT W. GALE
 508 Union Trust Bldg.
CLEVELAND, OHIO

DIRECTORY OF LIFE INSURANCE ILLINOIS

WYMAN & PALMER
 General Agents for Illinois
BERKSHIRE LIFE INS. CO.
 of Pittsfield, Mass.
 105 So. La Salle
CHICAGO, ILLINOIS

8c a week is the cost of The National Underwriter by annual subscription.

Harbough and Agent Lewis Bender of the Port Huron assistance detached from the Flint, Mich., district, were recently successful in closing a large group case.

Agent Clifford L. Marshall of the Detroit No. 2 district is credited with a good ordinary record and is evidently out to beat his nearest city rival for position on the Weekly Record list.

Agent Elias Judlowitz of the Passaic, N. J., district and Hugh M. Sinclair of Lambertville, N. J., detached from the Trenton, N. J., district, recently com-

pleted twenty years of continuous service with the company.

Agent Marcus M. Peterzell of Nyack, N. Y., detached from the Hackensack district, is leading Division "M" in ordinary for 1925.

One of the brightest of the agency stars in the Terre Haute, Ind., district has been promoted to assistant superintendent, succeeding Assistant Ed Tibbotts upon the latter's transfer to Brazil, Ind. Assistant Superintendent J. Miller's new job carries supervision over nine agents.

NEWS OF LOCAL ASSOCIATIONS

TO WAR ON THE PART TIMER

Houston Association Plans to Open Campaign to Clean Up the Life Insurance Business

HOUSTON, TEX., Sept. 23.—The part time agent and rebater is to get unadulterated trouble soon if plans of the Houston Association of Life Underwriters carry. The organization held its regular September meeting Monday and made many plans to eradicate this evil. They also appointed three delegates to attend the national convention in Kansas City and discussed opening a life insurance school in Houston.

The association has made application for a charter to be incorporated so that the unlawful insurance agents can be brought to justice without each member of the organization being liable for any damages that might ensue. H. G. Hewitt, of Cravens, Dargan and Company, said that he had gotten in touch with authorities at Austin and had asked for a list of the agents who had been licensed to operate in Houston. The total number was staggering. Since January 1, licenses have been issued to 765, figures show. Of this amount fully 75 percent are part time agents, President Ike L. Hill estimated.

The Houston association is negotiating with Professor Rockwell, professor of the insurance department at the University of Pittsburgh. Professor Rockwell said he would hold a school in Houston from Jan. 15 to March 15, provided a minimum of 80 students could be guaranteed.

Tuesday Mr. Hewitt said he had gotten 25 students and that he was sure the required number could be secured. Cravens, Dargan & Co. will send eight students and the Great Southern Life promised 10 students.

Boston, Mass.—One hundred members of the Boston Life Underwriters Association and their ladies as guests gathered at Swampscott, north of Boston, Thursday for the annual outing of the association. Spencer S. Dodd and Lester von Thurn captained two baseball teams in a game won by the former's team. Charles C. Gillman ran the golf tourney and the prizes went to Franklin W. Ganse and A. C. Mathews, with consolation trophies for Earl G. Manning and William E. Hewitt. Mrs. William E.

Hewitt and Mr. Derby won the bridge prizes.

A banquet was served in the evening with President Lloyd K. Allen of the association presiding. Charles C. Gillman told humorous stories and Howard Bragdon, a Boston agent, rendered tenor solos. A fine Scotch impersonation was given by John Daniels of Boston. Following the dinner there was dancing.

New York City.—James Elton Bragg, vice-president, Manhattan Life, and John H. Scott, general agent, Home Life, will be the main speakers at the first fall meeting of the Life Underwriters' Association of New York, to be held at Hotel Astor, Oct. 13, according to an announcement by Charles J. Zimmerman, executive secretary.

Both speakers have been in the life insurance profession for a comparatively short time. Mr. Scott entering the business in 1917 and Mr. Bragg in 1919.

Mr. Bragg will speak on "Meeting Competition," and Mr. Scott will discuss "Father and Son Insurance." The association now has over 1600 members.

Fort Dodge, Ia.—C. D. Case, vice-president of the First National Bank, spoke at the regular meeting Sept. 12th, and referred to the close cooperation of banking and life insurance. He said the outlook for a prosperous business is the best it has been for years. Mr. Case pointed out that much life insurance is dissipated in a short time where it is left in a lump sum, and showed the service furnished by the banks in acting as trustee for the funds.

The Fort Dodge association will hold its annual picnic Sept. 19.

Los Angeles, Cal.—Regular monthly meetings of the association were resumed on Sept. 17 with a dinner at the (CONTINUED ON PAGE 32)

A PROFITABLE PARTNERSHIP
 exists between this Company and its agents. The Head Office furnishes a lead service which permits agents to interview prospects known to be interested. A steady, healthy growth in the Company's business is reflected in the increased earnings of its agents.

Fidelity is a low net-cost company operating in forty states. Full level net premium reserve basis. Over Three Hundred Million insurance in force—and growing rapidly.

A few agency openings for the right men.

FIDELITY MUTUAL LIFE
 INSURANCE COMPANY, PHILADELPHIA
 Walter LaMar Talbot, President

WANTED—GENERAL AGENT

One of the oldest Eastern Mutual Life insurance companies has open a general agency. Successful applicant will be a man of experience, character and ability. He will write full educational and business history in first letter. His communication will be held confidential. In reply he will be given full details regarding agency, and arrangements will be made for an interview.

Address Superintendent of Agencies

Box P-19

The National Underwriter.

ATTENTION! Home Office

General Agent wants Opportunity to demonstrate ability in Supervisory or Agent's Training School work. Age 30. Eight years' experience as Agent and General Agent. Wish to discontinue full solicitation but wish position where general and round sales and insurance experience can be utilized.

Address P-24
 Care THE NATIONAL UNDERWRITER

SUPERVISOR

An Eastern Life Insurance Company is desirous of obtaining a few experienced Life Insurance producers who are ambitious to become Supervisors for the following territories:

Eastern Pennsylvania
 District of Columbia
 Tennessee Maryland
 Indiana Delaware
 Kentucky Michigan
 West Virginia

Age 30 to 45 preferred.
 All correspondence strictly confidential.

Address O-77, care of
 The National Underwriter

ACTUARIES

DONALD F. CAMPBELL
 CONSULTING
 ACTUARY
 188 N. La Salle St.
 Telephone State 7298
CHICAGO, ILL.

L. A. GLOVER & CO.
 Consulting Actuaries
 Life Insurance Accountants
 Statisticians
 29 South La Salle Street, Chicago

J. H. NITCHIE
 ACTUARY
 1523 Assn. Bldg. 19 S. La Salle St.
 Telephone State 4992 . . CHICAGO

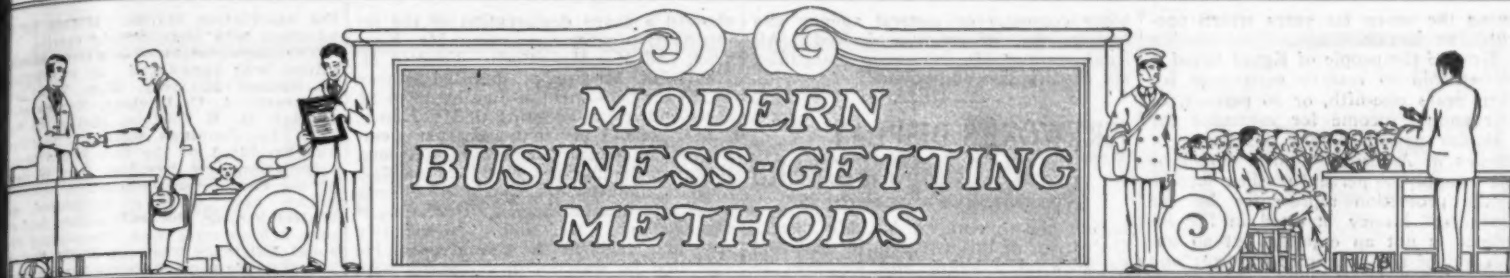
HARRY C. MARVIN
 CONSULTING ACTUARY
 2185 North Meridian St.
INDIANAPOLIS, INDIANA

FRANK J. HAIGHT
 CONSULTING
 ACTUARY
 810-813 Hume-Mansur Bldg.
INDIANAPOLIS
 Hubbell Bldg. DES MOINES, IOWA

T. J. McCOMB
 COUNSELOR AT LAW
 •CONSULTING ACTUARY
 Premiums, Reserves, Surrender Values, etc., Calculated. Valuations and Examinations Made. Policies and all Life Insurance Forms Prepared. The Law of Insurance a Specialty.
 Colcord Bldg. OKLAHOMA CITY

Actuarial Service Insurance Publicity
BARRETT N. COATES
 CONSULTING
 ACTUARY
 54 Pine Street . . San Francisco

E. L. MARSHALL
 CONSULTING ACTUARY
 Hubbell Building
 DES MOINES, IOWA



Picking Someone Each Day to Write and Aiming to Do Business Every Week Will Give Agent Consistent Production

By JOS. J. DEVNEY, Cleveland

It is no trick to induce prospects to admit freely and frankly that "life insurance is a good thing" and to declare emphatically that they will take more "sometime." But these parlor pleasantries don't mean anything; they neither count toward the quota nor fatten the bank account. It isn't what the prospect says, but what he does that matters; therefore, any practical suggestions which tend to produce prompt and favorable action are always interesting and profitable.

When prospects admit they are sold, but refuse to buy, we customarily put them down as procrastinators. We say to ourselves that the fault is with them, not with us. But is it? Nine times out of ten it is not. One of the greatest lessons that any life salesman can learn is that the prospect has little to do with a sale of life insurance. People have no food, clothing and shelter and they will have jewelry and automobiles, so they buy them voluntarily. But the only reason they buy \$13,000,000,000 worth of life insurance in a year is because it is sold to them. Any one who would succeed in this line must keep that idea to the foreground and proceed accordingly. He must constantly remember that it is up to him to make the sale.

Mental Attitude Has Great Influence

Of the various elements which enter into salesmanship, the one which is of prime importance is the salesman's mental attitude. If the attitude be indifferent, for instance, the results are negligible. On the other hand, when salesmen convince themselves that they can write hundreds of policies in a month and determine to do it, they work themselves into a mental attitude which enables them to sweep aside opposition and get almost unbelievable results. It shows how pliable prospects are.

One effective method to induce the right mental attitude is for the salesman to select each morning a certain prospect whom he will do his level best to sell on that day. He will not slight the others on his list for the day, but this particular individual on this particular day is to be the subject of his special efforts. When he gets to him he gives him the very best he has. This plan will color a whole day's work. There will be a greater earnestness about it which will have a telling effect.

Aim of Business Every Week Helps

The determination to sell at least one policy every week is another mental attitude which can be used as a lever in closing. This will not conflict with the determination to select some one each day whom you will do your best to write. One supplements the other. Here is the real helpfulness of this aim. When it comes Friday and you have not sold a policy yet that week, you can go to one of your likely prospects, tell him of your dilemma and that you simply

must have his application. In many cases you will get it.

If you have a good list of prospects, you have already actually sold many of them the idea of buying and when you can present a good excuse for so doing they will buy. I heard a prominent underwriter say one time that if a man insures under such circumstances he will go home and tell his wife that he bought another policy today to help so-and-so out, as he was in the contest. As a matter of fact, he bought because he wanted to buy and the underwriter's contest was simply an excuse for him to buy.

It is well known that when an agency puts on a contest and really gets the salesmen interested, they do much more business than under ordinary circumstances. The principles which cause the increased results are those contained in the two suggestions just made, that you pick someone each day to write and aim to do business every week. By employing these two simple methods continuously, you can constantly reap the benefits whether a contest is on or not.

Should See Prospects at Seasonable Times

Circumstances make prospects easier to close at certain times than at others. These are the ideal times to see them. First among these is seasonableness. We all know that one of the easiest times to close a prospect is just before his age changes. Many underwriters make a specialty of trying to close business then. Another condition which aids in closing sales is when the prospect has an unusual surplus of funds. It is always easier to sell a man something when he is prosperous than when he is not. If any proof be needed of this, it is demonstrated by the fact that more life insurance is written during years of general business prosperity than otherwise. Most men in business have more funds at certain seasons of the year than at others. These should be observed and followed up accordingly.

In late years, many firms have inaugurated the custom of paying their employees a bonus in addition to the regular salary. The recipient of these bonuses offer a splendid field to cultivate when they receive them. The same is true among those who receive dividends from their investments. Security salesmen watch this carefully and increase their sales as a result. There is no reason why much of interest funds which constantly go back into more securities could not be diverted into life insurance. This is an exceptionally good lead.

Other Conditions Make Prospects Susceptible

Numerous other conditions and occasions make prospects more susceptible to buying life insurance, such as when a contractor secures a big job; after a person has severe illness or accident; after marriages, births, etc. In this group also deaths are important fac-

tors. When a close friend or relative of a prospect dies, especially if he is young or middle aged, that is a good time to try to close him.

It is a good time to see a man when he meets with financial reverses. He may not be a good prospect for a regular policy, but it will be a real service to sell him at least term insurance to protect his dependents and creditors. There will be a good chance to convert this when he recovers his financial footing.

Experienced underwriters all know these things, but many fail to capitalize their knowledge and opportunities. Seeking prospects at propitious times eliminates much sales friction.

This Agent Learned to "Do It Now"

A friend of mine for years wrote from \$200,000 to \$300,000 annually, then something happened and ever since he has written over \$1,000,000 a year. This is what happened: In talking with a wholesale merchant one day he reached the point where the prospect said he would take a policy "later." This was the blank wall which he had been up against many times before and at which he usually quit for the time being, figuring that he had got as far as he could

and that he had better return at some later date.

In this particular instance, however, he told the prospect he would be glad to call again, but while they were both together he wanted to explain a certain proposition in detail so he could have it in mind and could buy it when he got ready. This threw the prospect off his guard and my friend proceeded to figure out a special proposal and show what it would do, what deposits it would require, etc. The prospect became so interested in it that when the salesman finally began making out the application to see if the doctor would O. K. him for such a proposition, he said nothing further about delaying, but signed up for a large policy.

This taught the salesman a remarkable lesson which has proved extremely profitable to him ever since. You can profit by it also. You encounter many of these blank walls in your work, but usually they are merely "stalls." The prospect is interested but not fully sold and fences for time to think it over. When you encounter what appears to be a blank wall, try to remove it by outwitting the prospect and taking him off his guard. If you can thereby extend the interview your chances for selling him are good if he is really interested.

WOMAN AGENT GIVES RADIO ADDRESS ON "PROTECTION FOR THE FAMILY"

UNDER the title of "Protection for the Family," Miss Mary F. Shea, a leading producer of the Great Republic Life, who will be remembered as one of the participants in the sales demonstration at the Life Underwriters' Convention at Los Angeles last year, and well known to radioland as "Maggie O'Shea, the blarney girl of KHJ," the "Times," Los Angeles, broadcasted the following address a few weeks ago from KFPG studio in that city:

"Wives and mothers, it is to you I am talking and I am going to present to you a few facts that will help you to decide whether or not your husbands and the fathers of your children have sufficient insurance to protect your future and the future of your family.

Three Principal Reasons

"Men insure for three principal reasons—to protect their wives, their children and their own old age. Life insurance is a systematic savings account but it also has the advantage of creating an immediate reserve in substantial benefits for use in an emergency, of considerably larger proportions than the amount of savings involved. Life insurance is founded upon a scientific basis and is the most efficiently organized, solidly established, and carefully conducted financial institution that exists, and above all, friends, it is the most beneficent plan of protection from the hazards of life that the human mind has evolved.

Protects "Sunset Days"

"Think what it means to a life underwriter to come into the home of sorrow, from which the best husband and the dearest daddy in the world has been called away and to be able to deliver to that bereaved family a check that will replace and continue the income that

daddy had provided. Think what it means to the dear old couple finishing out the sunset days of their life together in quiet, comfortable happiness, free from dependence upon relatives or upon sons and daughters who have grown to maturity, have married and now have homes and children of their own. This financial independence has been made possible by the few cents systematically and daily saved during the constructive days and years of earlier life and invested in a life insurance policy that became an endowment in their old age.

Gives Pathetic Picture

"Surely, that is a more beautiful picture than to think of poor old daddy living out his declining years as a watchman, a janitor or a telegraph messenger. This calls to mind a pathetic incident in my experience which occurred a few days ago. Our office is on the 13th floor of the Great Republic Life building, and this day on leaving the office I had to walk down because the current was off and the elevators temporarily out of commission. Just as I reached the 11th floor I met an old man in his late 60's trudging up to the 13th floor to deliver a telegram. My heart ached at this sight and I felt that doubtless he, like so many of the young men I talk to, in the days of his young manhood was confident that he would not have to work or be dependent upon others in his old age.

Apply 10 Percent of Income

"You are perhaps all familiar with the story told in the Bible of Pharaoh's dream, its interpretation by Joseph and the manner in which, under his direction, the Egyptians prepared for the seven lean years of famine which were later experienced by laying aside each year one-fifth of the grain produced

during the seven fat years which preceded the famine.

"Now, if the people of Egypt found it no hardship to reserve each year for seven years one-fifth, or 20 percent, of their annual income for insurance for a similar period, surely the heads of families in American homes should be able to apply 10 percent of their income to the protection represented by life insurance. Money invested in life insurance is not an expense but an application of the principles of thrift and protection combined. There is no cost to insurance to those who possess it, but to those families who are without its benefits in their hour of need there is a cost paid by the widows and orphans which finds expression in bitter tears, heartaches, hunger and want, together with lack of proper education of the children, who frequently in such cases are compelled by distressing circumstances to work in helping to support the family at ages when they should be gaining knowledge in schools and colleges.

"If a man allows his family \$100 a month for living expenses, it would require \$20,000 invested at 6 percent interest to replace the earning power represented by this allowance. Five or ten thousand dollars in a lump sum may seem a large amount of money, but when you realize that this sum securely invested will yield a return of only 6 or 7 percent, you will readily understand how inadequate it is to provide an income sufficient to maintain the home.

"Mothers, when your little ones have said their prayers tonight and you have tucked them into bed, sit down and talk this all-important subject over with your husband and urge him to act without delay if you find that you and your children are not fully protected. Now is the time to do this. Tomorrow may be too late. If you have a friend engaged in the business of life insurance communicate with him upon the subject; if not, then phone or call upon

some company or general agency and request the information desired. All legal reserve life insurance companies are equally safe and sound."

FIREWORKS DISPLAY BY COMMISSIONERS

(CONTINUED FROM PAGE 1)

urging him to vote for Mr. McCulloch. On receipt of this telegram he said that he grew very angry and switched to Mr. Kendrick. Mr. Moore said that when the Insurance Commissioners Convention is controlled by the insurance interests its efficiency is vitally affected and that he was very much opposed to any meddling or electioneering for those outside of the organization.

Opposed to Electioneering

Mr. Conn said that the convention should go on record as being opposed to any sort of electioneering or lobbying by insurance men or organizations. He said that the public should know that the Insurance Commissioners Convention elected its own officers without outside pressure.

Mr. Ireland further said that he was in accord with Mr. Monk's idea but did not relish the implication that his side was being influenced by outside interests. He said that if anyone had the idea that the election was a one-sided affair he was mistaken. He said that he held in his hand a telegram which he had received and one which the California commissioner had received about a presidential candidate. Mr. Ireland did not indicate who sent these telegrams. Commissioner Wells of Minnesota said that he had received a telegram from a company in his state urging him to vote for a certain man but did not mention names. He further declared that his vote for Mr. McCulloch was a protest against the tactics which he had seen displayed at the convention.

Evidently the election down the line

showed a sharp demarcation of the interests that were supporting Mr. Kendrick and Mr. McCulloch. Thomas M. Henry of Mississippi defeated Stacey W. Wade of South Carolina by 18 to 13, the Kendrick votes going to Mr. Henry.

Mr. Ireland put in nomination members of the executive committee. Among these were Superintendent Beha of New York, Commissioner Wells of Minnesota and Commissioner Dunham of Connecticut. Mr. Beha immediately rose and declined the nomination. He said that he was not in sympathy with the methods that were being followed. Commissioners Wells and Dunham also declined the nomination on the same ground that Mr. Beha expressed. Commissioner Caldwell of Tennessee and some others urged these to reconsider their declination, become members of the executive committee and work for the good of the organization. Their appeals had no effect.

Those who supported Mr. McCulloch evidently were peeved at what they claim was the pre-convention electioneering on part of some companies favoring Mr. Kendrick. It was charged that some of the Iowa company officials had been very active in his behalf and had endeavored to line up companies in different states for him and through them the insurance commissioners.

NEWS AND ACTIVITIES OF THE LOCAL ASSOCIATIONS

(CONTINUED FROM PAGE 30)

Pacific Mutual auditorium which was attended by approximately 200 members and guests. This was the first meeting under the administration of President Charles E. Bent, of the Travelers, and his wide experience in such work with other organizations was reflected in the admirable manner in which he presided during the business session. Twenty-seven were elected to membership.

Alex. Dewar, of the Equitable of New York, then offered for consideration a life underwriter's creed which had been prepared by President Brent and which expressed very clearly and concisely the highest principles and ideals for which

the association stands. Motion for its adoption was unanimously carried.

The appointment of a grievance committee was announced. It is composed of Samuel McCurdy, New York Life, chairman; A. C. Duckett, Northwestern Mutual; H. E. Corless, Mutual of New York; Leo Jennings, Mutual of New York and president of the San Pedro branch association, and President John W. Eaton of the Santa Ana association.

The first speaker introduced was Walter Strong, the well known food expert, whose topic was, "Increasing Personal Efficiency Through Right Eating." Mr. Strong's remarks were very interesting and were well received.

Ransom Stephens, educational director of the Farmers and Bankers Life of Wichita, Kan., delivered an inspiring address on "The Master Salesman."

An entirely new committee has just been appointed by President Pierce. It is known as the welcome-to-arrival committee whose duty it is to keep in touch with every newcomer entering the life insurance business in this city.

Gary, Ind.—The Gary association is planning for the observance in Gary of "National Life Insurance Week," beginning Oct. 4. Many of the ministers will preach sermons on the subject of insurance. The association has completed arrangements to sponsor a play, "The Heart of the Estate," to be given by the Hawkins-Ball stock company at the Gary theater.

Cincinnati, O.—W. B. Burruss gave his famous lecture on "Shakespeare as a Salesman" before the Cincinnati association Thursday. Members were invited to bring their wives along. Many of the Cincinnati members have heard the lecture many times but never lose an opportunity to hear it again.

Philadelphia, Pa.—Preparations are going on apace for the first autumn meeting of the Philadelphia Association at the Bellevue-Stratford hotel Oct. 1. Speakers are being secured by a committee of which James M. Blake, Massachusetts Mutual, is chairman. Frederick G. Pierce will preside, assisted by Frederick G. Woodworth, chairman of the executive committee.

FIFTY-THREE MILLION OF LIFE INSURANCE IN FORCE

MANAGER WANTED for Territory in Indiana

LAFAYETTE - TERRE HAUTE - KOKOMO - CONNERSVILLE - JEFFERSONVILLE - VINCENNES

*Or we will give direct District Agency Contract
in smaller cities where we are not represented.*

A splendid opportunity to earn good money from the beginning. Special under 40 years and furnish reference as to character.

Every possible help will be given to develop a profitable organization.

The outlook in Indiana is for an extended prosperity. A "Bumper Corn Crop" and increased activity in other lines means good business for the aggressive Life Insurance Man.

Write or apply to Frank P. Manly, President, or Joe C. Caperton, Agency Manager

The Indianapolis Life Insurance Company

Indianapolis

CONTRACT DIRECT WITH HOME OFFICE

ion for his
carried.
vance com-
posed
York Life
rthwestern
al of New
New York
ro branch
n W. Eaton

uced, was
n food en-
asing Per-
at Eating-
y interest-

al director
s Life of
inspiring
man."
has just
Pierce, in
to-arrival
to keep in
entering the
city.

ciation in
n Gary of
k," begin-
isters will
of insur-
pleted ar-
play, "The
ven by the
at the Gary

s gave his
care as a
ti associa-
invited to
ny of the
d the lec-
se an op-

tions are
t autumn
association
el Oct. 1,
y a com-
ce, Massa-
Frederick
by Fred-
an of the

The National Underwriter

National Convention Sessions Open

PHILADELPHIA IS 1926 CHOICE

Wins Over Detroit and Memphis—Sharp Contest Is Staged

Proposal for Sectional Executive Meetings Also Contested—Defer Action

Convention Headquarters, Orpheum Theater, Kansas City, Mo., Sept. 29.

PHILADELPHIA won out for the 1926 convention of the National Association of Life Underwriters in the contest waged at the annual meeting of the executive committee yesterday. While final action as to the meeting place will be taken by the board of trustees, there is considered to be practically no chance that it will overturn the recommendation made by the executive committee. It is understood, however, that some of the members of the board of trustees rather resented any action being taken by the executive committee and a very lively controversy developed over the question of whether the executive committee had any right to make a selection.

No definite action was taken in regard to the dates for the meeting, although it was decided that the dates should be so selected as not to conflict with those chosen for the meeting of the American Bankers' Association, as is the case this year. With the increasing interest in the subject of cooperation between life insurance and trust companies, it was felt that such a conflict in dates was decidedly unfortunate. The fact that the convention dates this year overlapped a Jewish holiday also caused some complications, which it was decided to avoid in the future.

Three Cities Brought Forward for Meeting

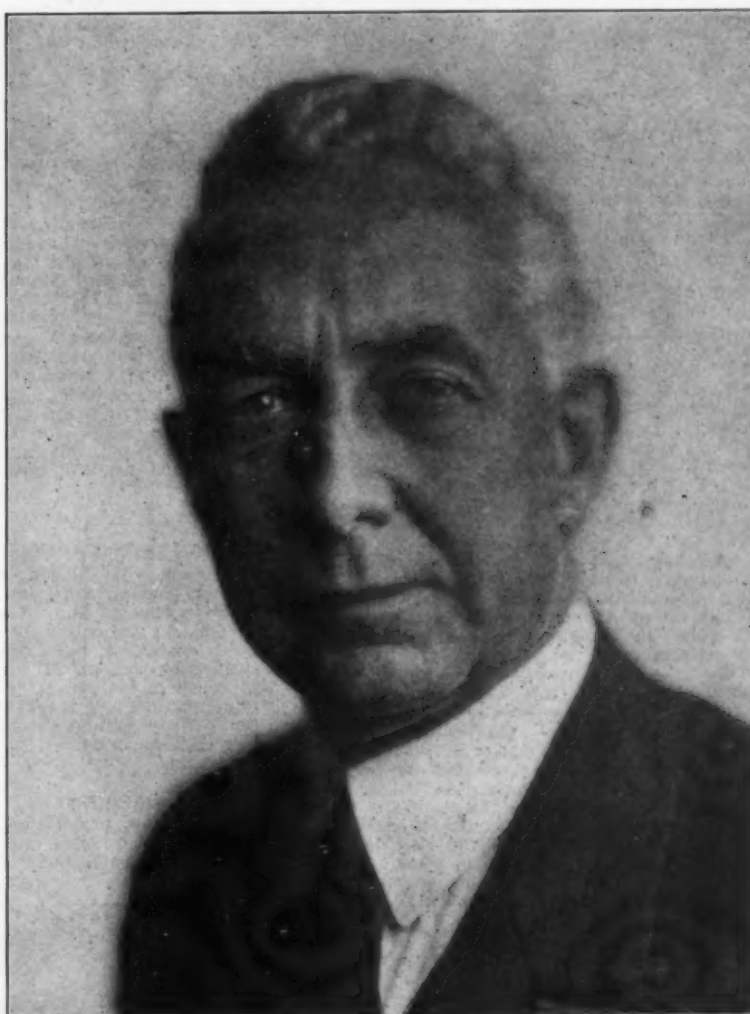
The claims of three cities for the 1926 meeting were presented at the executive committee meeting. Memphis had as its official spokesmen Bolling Sibley and E. L. Logden, secretary of the Memphis Chamber of Commerce. Detroit was represented in the presentation of its convention candidacy by Ernest W. Owen and H. Wibirt Spence, while Fred Pierce, president of the Philadelphia Association of Life Underwriters, spoke for his city.

A string of motions and amendments in regard to the selection of the meeting place followed, resulting in such a parliamentary tangle that it was decided to unravel it by taking a vote on the cities direct. In that ballot Memphis received three votes, Detroit 16 and Philadelphia 30. As a result Philadelphia was formally declared to be the choice of the executive committee.

Controversy Over Regional Executive Committee Meetings

Another matter over which quite a

PRESIDES AT NATIONAL CONVENTION



JOHN WILLIAM CLEGG
President National Association of Life Underwriters

lively controversy developed was that of holding sectional meetings of the national executive committee. The suggestion presented in the report of William A. Searle, assistant to the president, who stated that the trustees were desirous of preparing a plan sufficiently concrete to form a basis for action by the executive committee, contemplated the selection of not less than four meeting places in different sections of the country where there would be held meetings of the executive committee, to take the place of the mid-year meeting, heretofore held annually in New York. Each of these meetings would include a one-day sales congress, preceded by a one-day meeting of those members of the executive committee living in that section of the country.

The report of the committee having that matter particularly in charge, headed by J. K. Voshell of Baltimore, which was sent in by Mr. Voshell and read at

the meeting, was, however, quite strongly adverse to the sectional meeting plan.

Heated Arguments Presented by Advocates and Opponents

A very general discussion was precipitated by the presentation of the two reports, with some rather heated arguments advanced on both sides. The advocates of the change contended that the present mid-year meetings were as a usual thing "not representatively attended." They claimed that the sectional meetings would bring about participation in the deliberations of the executive committee by a much greater number of its members than was possible under the present plan, and that it would result in a greater degree of democracy in the conduct of association affairs.

The opponents on the other hand declared that it would have a tendency

EDUCATION IS TUESDAY TOPIC

Good Talks Given But Don't Stir Up Much Enthusiasm

President Clegg Receives Great Ovation At Opening Session 1925 Convention

Convention Headquarters, Orpheum Theater, Kansas City, Mo., Sept. 29.

THE opening session of the 36th annual convention of the National Association of Life Underwriters was unfortunately rather slow and heavy. The general theme, "Life Insurance to Help Education," did not arouse the enthusiasm and interest that was expected. The principal speakers gave their talks but there was practically no general discussion. A reading of the program would indicate that the sessions that are to come will be much livelier and will strike a more responsive chord with most of those in attendance.

Theater Well Filled For Opening Session

The big convention is being held in the Orpheum Theater. When the first session opened at 9 o'clock the main floor was about three-fourths filled, later was filled entirely and there was an overflow in the balcony and boxes. It was at the Toronto convention four years ago that the National Association found that its conventions had become so large as to be beyond the capacity of the average hotel convention hall. Ever since that time the annual gatherings have been held in a theater and will undoubtedly have to be in the future because of the crowd of 2,000 or more that seeks admission at these events each year.

The usual opening formalities consumed very little time. The invocation was given by the Rt. Rev. Sidney Catlin Patridge, D. D., bishop of the diocese of west Missouri. He was followed by A. I. Beach, mayor of Kansas City, who was brief and pleasing in his words of welcome. President John William Clegg was given a vociferous round of applause as he stepped to the center of the stage to open the convention proper. He announced that all sessions would begin promptly on time and that it would be necessary to carry the program through in a business-like manner in order to accomplish all that was planned. He then turned the meeting over to Frank L. Jones of Indianapolis, as chairman. Mr. Jones presided over the remainder of the session.

As a sort of foundation stone for the other speakers to build upon, Chancellor Ernest H. Lindley of the Univer-

sity of Kansas spoke on "Educational Needs of America." Dr. Lindley's talk was somewhat disappointing as it was not sufficiently specific to meet the ideas of most of those in attendance. He discussed the general subject of educational needs, and as he was the only man outside of the life insurance business to speak on Tuesday morning, it was felt by many that he did not clearly grasp the real relation between the life insurance business and the educational institutions of the country.

H. P. Gravengaard, manager of sales training of the Aetna Life, discussed the same topic, spoke entertainingly for ten minutes, and was then rapped down by the chairman at a time when he was in the midst of an interesting argument. Before the convention the various session chairmen decided that they would not allow any speaker to overlap his time and Mr. Gravengaard was the first to feel the effects of this rule.

Kavanagh Gives Specific And Exact Information

In his talk on "Insurance of Students and Alumni for the Benefit of Their Alma Mater," James E. Kavanagh, second vice-president of the Metropolitan Life, brought to the convention something quite practical and exact. He told how some 25 campaigns of this kind had been carried on, what methods were employed and what the results had been. President Clegg rounded out Mr. Kavanagh's talk with an outline of the work that he had done in connection with a Philadelphia college.

Stratford L. Morton of St. Louis carried on the thread of the story in his talk on "College Endowment and Life Insurance." Jay E. Williams of Seattle gave the details of the hospital life insurance campaign that was so successful in Seattle last winter. Paul F. Clark of Boston explained the work of his agency in insuring the 1923 graduation class of the Massachusetts Institute of Technology.

Real Human Appeal in Woman Agent's Address

There was a real human appeal in the talk by Miss Josephine B. Lincoln of Oklahoma City, who explained how she has persuaded parents to insure their children's future education. She was the first woman to talk at the convention this year. F. W. Ries, Jr., of Pittsburgh, who like Miss Lincoln, was to have talked on "Guaranteeing the Education of the Child by Insuring the Parent," was unable to be present, and his ideas on the subject were given by Dr. Charles J. Rockwell of the University of Pittsburgh.

All of these speakers had good ideas, original thoughts and in most cases good delivery, but what they had to

say did not seem to arouse the audience.

George Graham, vice-president and actuary of the Central States Life of St. Louis and president of the American Life Convention, and Oliver Thurman, agency superintendent of the Mutual Benefit Life and chairman of the Association of Life Agency Officers, were the last two speakers on the first day. Mr. Thurman spoke on "Your Opportunities and Responsibilities" and Mr. Graham brought a brief message of greeting from the American Life Convention.

On Tuesday evening there was a reception to the delegates, families and friends at the new home office building of the Kansas City Life, followed by a dance. The affair was staged by the Kansas City Life, Midland Life, Business Men's Assurance and National Fidelity Life. It was largely attended. The nominating committee meets at 11 p. m. following the dance, to decide upon a new slate of officers for the coming year. The nominating committee is always composed of one delegate from each local association.

Many Company Meetings

As is usually the case, a number of company conventions were held in Kansas City during the National Association week. Two of the Kansas City companies, the National Fidelity Life and the Kansas City Life, had meetings of their production clubs. The Kansas City Life had a particularly large meeting, with 190 in attendance, comprising both general agents and members of the \$100,000 Club and including 60 women.

The Federal Life also had a big attendance at its club meetings. President Isaac Miller Hamilton and Vice-Presidents George Barmore and E. C. Budlong were in attendance from the home office in Chicago. The Guaranty Life of Davenport also had a get-together meeting of its \$100,000 Club with a good attendance.

The Pacific Mutual Life had a meeting of general agents, with about 100 in attendance. Home office representatives included Vice-Presidents Danford M. Baker and Arthur C. Parsons and Dr. W. W. Beckett, vice-president and medical director.

The west division of the general agents association of the New England Mutual met Monday, with 35 or 40 middle west leaders present. The principal addresses were made by Glover S. Hastings, superintendent of agencies, and Edgar C. Fowler of Chicago, president of the General Agents' Association.

The local office of the Aetna Life gave a luncheon Tuesday for the visiting Aetnaizers, with about 75 in attendance. W. H. Dallas, superintendent of

agencies, and H. P. Gravengaard, director of sales training, were the honor guests.

CONFLICT IN DATES

During the course of his talk James E. Kavanagh, vice-president of the Metropolitan Life, commented upon the fact that the American Bankers' Association and the National Association of Life Underwriters are both holding their conventions this year at the same time. He stated that he had learned that there would be no such conflict in dates next year for the reason that the leaders in the banking business had come to realize that there were many men in their ranks who desired to attend the annual gathering of the National Association of Life Underwriters and that there were also a number of life men who saw the wisdom of attending the yearly conventions of the bankers. Mr. Kavanagh commented on the fact that at least 20 trust company executives had decided to attend the life convention in Kansas City rather than to go to their own convention at Atlantic City this year.

RESEARCH BUREAU MEETING

A meeting of the Life Insurance Research Bureau will be held Wednesday at the home office of the National Fidelity Life. Among the company executives expected to be in attendance are Charles Hommeyer of the Union Central, A. L. Mitchell of the Canada Life, Oliver Thurman of the Mutual Benefit Life, M. Albert Linton of the Provident Mutual Life, W. J. Arnett of the Volunteer State Life, Philip Burnet of the Continental Life of Delaware, K. A. Luther of the Aetna Life, E. D. Lacy of the Minnesota Mutual Life and Ralph H. Rice of the National Fidelity. John M. Holcombe, Jr., manager of the bureau, will be in charge of the meeting.

ENTERTAINMENT FOR LADIES

For the ladies there was at noon on Tuesday a luncheon musical and bridge at the Mission Hills Country Club. The affair was attended by the wives of a number of the delegates, as well as by several life insurance women. It was remarked by several of the regular attendance of these national meetings that there were fewer "lady agents" in evidence this year than formerly.

REGISTRATION DISAPPOINTING

When the first session began there was a registration total of something over 1,100 which was very disappointing to the convention leaders. The princi-

ALUMNI TO MEET

On Wednesday afternoon there will be held in the Muehlebach Hotel a meeting of the alumni of approved life insurance schools.



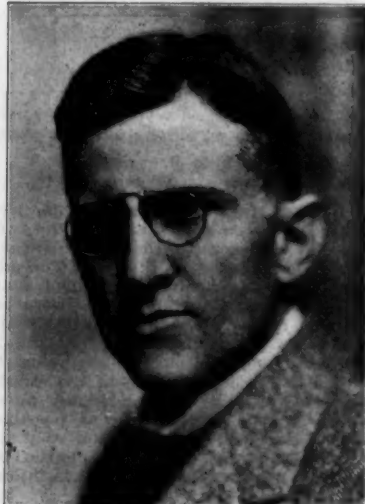
JOHN L. SHUFF, Cincinnati

pal cities of the southwest have sent comparatively large delegations to this meeting but the larger cities in the east and middle west are not at all adequately represented. There are, for example, only 25 on hand from Chicago, which is only a night's run from Kansas City and which has a population of 3,000,000. Even Detroit, which was making an earnest effort to corral the 1923 meeting, did not send a large contingent. The registration total is, of course, expected to go up to considerably beyond the 1,100 mark, but it is apparent that the attendance this year is liable to be slimmer than in Los Angeles a year ago.

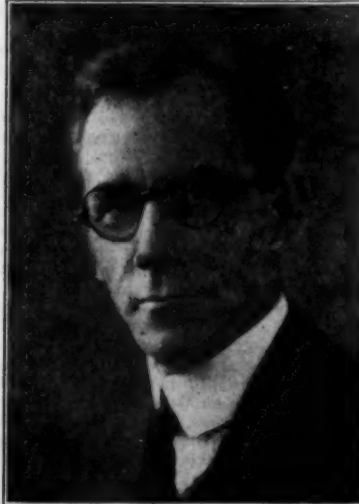
HEADS OF FOUR KANSAS CITY COMPANIES CONVENTION HOSTS



J. B. REYNOLDS
President Kansas City Life



RALPH H. RICE
President National Fidelity Life



W. T. GRANT
President Business Men's Assurance



DANIEL BOONE, JR.
President Midland Life

Insuring for Benefit of Alma Mater

How Students and Alumni of Colleges and Universities May Be Approached for Endowment Policies for Schools

By JAMES E. KAVANAGH
Second Vice-President Metropolitan Life

THERE are in the United States over 780 colleges and universities, practically all of them in need of money. One-half of the total educational bills of these colleges is met by the students. The other half is provided for by governments, philanthropists and friends. There is, therefore, an ever present problem confronting the managements of these universities year by year as to ways and means of securing practically 50 per cent of their budgets.

If it is possible to devise some method by means of which the graduating students can later on reimburse in whole

up to in such a manner, that practically all of them may be willing to take out endowment insurance, payable to their college.

As to the first of these three methods, I find a record of a Roman Catholic institution at Valleyfield, Que., that in 1900 took out \$100,000 of insurance on the 20-year endowment plan, on 20 of its students for \$5,000 each. By 1920 the college had drawn down a total of \$105,722, \$90,000 of it being matured endowments, \$10,000 death claims and \$5,000 of dividends.

Here was a case where the college itself financed the payment of these premiums, just as a thrifty individual would undertake to provide a 20-year endowment policy for the benefit of himself or family.

Little Success in Reaching All Alumni

The second method referred to, namely, that in which an effort is made to reach all the alumni of a university, has been tried in several cases, with rather indifferent success.

In the case of one of the colleges where there were about 4,000 scattered alumni, the campaign resulted in securing about 250 signatures for less than \$70,000. The campaign was designed to bring about \$1,000,000 of endowment insurance. A Pacific Coast college secured the support of 88 alumni out of 1,100. In another case, a graduating class that had been out of college five years was thoroughly canvassed, with the result that over half the membership signed up. The results in each of these cases were disappointing and out of all proportion to the efforts and time spent on the campaign. However, on those cases where I have been able to get records where graduating classes have been organized before the students left the colleges, the success seems to have been much more marked.

Lapse Ratio Less Than 3 Per Cent

I have records of ten colleges and 22 graduating classes, representing 4,000 students, where they have taken out over \$1,250,000 of insurance, nearly all on the 20-year endowment plan. In every case, well over 75 per cent of the students participated. The first record of these 22 graduating classes dates back to 1916—the others in increasing numbers since that date. Of the 4,097 policies originally issued, there remain today 3,947 in force—a lapse ratio of a little less than 3 per cent. A very small ratio, indeed! Of course it must be remembered that there is still insufficient evidence to definitely fix a lapse ratio, because only eight of these 22 cases have as yet been through two or more renewals.

It's Class Spirit and

Class Pride That Wins

It is the class spirit that wins—class pride and the close-up view of the alma mater and her requirements that provides the pull or supplies the urge necessary to get this almost 100 per cent cooperation.

More and more there seem to be evidences of determined effort on the part of universities and the alumni to cement the students of each year into

a united family. When a young man known to be a college graduate from a certain university is interviewed, almost the first question asked him by another college graduate is, not, "What did you study?" "What did you specialize in?" "What did you learn?" But "What class were you in?"

Where classes are highly organized, active secretaries are maintained and annual gatherings take place back at the alma mater. Very definite efforts to get 100 per cent representation at the fifth, tenth, 20th and 25th anniversaries prevail.

Class Urged to Do

Something for College

The class is constantly being urged to do something for its college. It rarely happens that these classes, particularly by the time the 20th anniversary comes around, fail to make a very definite contribution in the shape of money, buildings or grounds to the institution that helped them secure their higher education.

Here is something that the life insurance agent can utilize to the advantage of the institution, and incidentally increase his own self-respect as a constructive citizen in a community, by helping in the matter of higher education, with possibly only slight consideration for compensation for the work involved.

How College Endowment Campaigns Are Conducted

It may be of interest to outline the methods pursued in securing some of the various lines of coverage to which I refer.

As to the first method, that of influencing a board of trustees or president of a college to undertake through their financial machinery to make the payment for endowment policies for the students, no special advice need be given. It is doubtful if this is at all ever likely to be a prolific field for the securing of insurance contracts for the benefit of colleges. Obviously, it does not very directly relieve the management from the stress involved in securing the finances to meet the premiums year by year.

Methods Used in

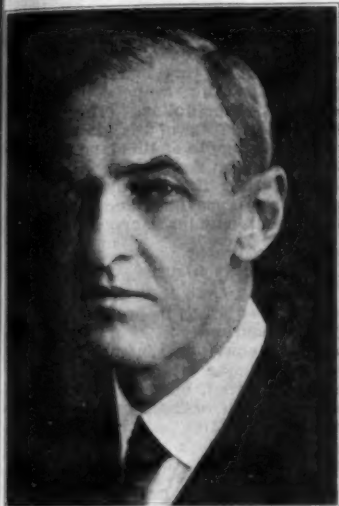
Approaching Alumni

As to the manner in which the alumni of a university may be approached, the method used in two cases may be of interest. In one case, there were 700 members of a class which was graduated five years before, and in another 4,000 alumni—young and old, some of whom were graduates and some of whom had never graduated. These men and women were located all over the United States and Canada. The problem was to get in touch with these people promptly and forcefully. Mass psychology was applied. A definite date on which applications were to be signed all over the country was designated well in advance. Weekly preparatory letters were mailed serially to each prospect before the sign-up day. In one case, these letters were sent over the signature of the president of the class gift committee, pointing out to each of the 700 members, that arrangements had been made with a well known life insurance company whereby

a \$250 20-year endowment policy in favor of the college might be had, without the necessity of a medical examination. All that would be required would be the payment of the annual premium of approximately \$11. This could be done, either directly through a representative of the insurance company, or through the secretary of the class.

Definite Date and Hour Agreed Upon

Not only was the date fixed, but a definite hour was agreed upon. In one case, 2 o'clock in the afternoon was



J. E. KAVANAGH
Vice-President Metropolitan Life

or in part, colleges, a considerable relief will be afforded the trustees and management who yearly spend much of their time and thought on the matter of finance. This time and thought might better be concentrated on the real purpose of the colleges—namely, the matters of education.

How Life Insurance Can Give Relief

It is felt by some that life insurance may be an instrument through which a large portion of this relief, if not all, can be secured. The life insurance companies, with their tremendous organizations of full-time representatives in the field, can possibly be hitched up to the institutions of learning in such a manner that a large measure of relief may very rapidly come to them.

It is safe to say that the agency ranks of the life insurance business is the largest sales and collecting machine in the country, if not in the world. There is probably not a college graduate in the country who is not in almost daily touch with the representative of some one or other of the life insurance companies represented at this conference today.

Three Methods by Which Alumni Can Help

There are various ways in which the alumni may definitely aid their alma mater through the medium of life insurance. I shall touch on what seem to be three principal ways:

First of all, students may be willing to have their lives insured in favor of the college, leaving the college to pay the premiums.

Second, alumni of a university may be canvassed with a view to having them individually pay premiums on policies, uniform in size, on the endowment plan, in favor of the college.

Third, graduating classes may be so organized and the class spirit played



ED. S. VILMOARE, Kansas City
Chairman Hotels Committee

established. Promptly at that hour, representatives of the insurance company waited upon the alumni in their various home towns. Many were urged to sign their applications promptly at the same hour—2 o'clock. Hundreds responded. The class committee had in this case been fortunate in sending out a type of literature which was appealing. This culminated in the sending out of a doggerel poem, descriptive of the efforts they had made to bring about this endowment for their alma mater.

The alumni were not to take the matter too seriously. There was a spirit of levity about the matter, and yet enough seriousness to result in definite action which has thus far been followed by renewals, such as intimated earlier in my talk.

A similar program was pursued for the 4,000 alumni of another institution. Hundreds of them were waited upon at the same hour and same day, but with much less success. There was not the class spirit; there was not the tie-up to the institution that had been so carefully engendered in the class; there was not the same psychology to work on.

Graduating Classes Offer Best Opportunity

These experiments when contrasted with the success that has attended the efforts to have students while in college, in their graduating year give applications for insurance in favor of their college, seem to point clearly to the life underwriters the method which is most likely to succeed.

There is usually a class gift committee in every senior class. The graduate class gift committee, pointing out to each of the 700 members, that arrangements had been made with a well known life insurance company whereby

of a \$250 20-year endowment contract. The premiums may be paid to the secretary of the class, but usually are remitted direct to the insurance company. The insurance company, with its agency points scattered all over the country, can promptly effect the collecting of premiums year by year. There should be arrangements made so that any payments not made on due date could be promptly reported by the insuring company to the secretary of the class. He can then make an appeal, and if need be, pay the premium



GEORGE GRAHAM
President American Life Convention

from the class funds. By cooperation of this kind, low lapse ratios have thus far been maintained in the few years during which this line of business has been in force.

Much More Binding Than Ordinary Alumni Pledge

If a lukewarm son of the University of Missouri were to move from Kansas City to New Orleans, without reporting his journey to the alumni office at Columbia, do you think that the most aggressive alumni secretary in the world could collect the \$10 a year pledge that had been reckoned among the university's assets? Don't you, on the other hand, think that this same pledge, as an annual premium due a far-flung insurance company, would be much more liable of payment? The obligation to pay an insurance premium is, obviously, more binding than any promise to pay an alumni office. Furthermore, effective home office follow-up would undoubtedly have determined this defaulter's new residence. A personal interview at the new address very often renews ardor of the possibly indifferent graduate.

Get Class Organized Early in School Year

It is very important that the class be properly organized early in the school year. The insurance representative should get in touch with the class gift committee. Sometimes he may have to help organize the committee. He should then outline his plans for insurance before this committee, setting forth in detail the insurance program. After he has gotten the approval of the committee, he should then get the approval of the entire class, which should all be under way and disposed of before the final exams early in June.

There may appear a practical difficulty in securing applications from graduating classes through possible jealousies or over-anxiety on the part of representatives of different companies to secure the business. This has been, in part, met in one college in the east, Princeton, where thus far the insurance has been given each year to a different insurance company. On the other hand, another college, Rutgers, has for four years had its senior class take out the insurance with the same company.

Possibilities in Bequest Insurance for Colleges

I have said nothing about bequest insurance for colleges. A most excellent address was delivered before the National Life Underwriters' Association on this subject by Edward A. Woods, a few years ago at the Detroit convention, and I would recommend the reading of that address by any who are desirous of getting accurate information as to the advantages of bequest insurance. Here is a medium through which very large gifts may be made by alumni.

It is a comparatively easy matter to secure the names and addresses of the alumni of a college, or of the members of any particular class or classes. In most large universities there is located an alumni secretary. A discriminating underwriter can study these names, and then, either through correspondence or personal interview, place directly before successive alumni the wisdom of making contributions to their alma mater through the medium of insurance contracts. In this way large amounts of insurance can be procured through insurance for colleges through any of the methods thus far outlined.

Students Who Do Not Pay Full Tuition Charge

When such a year-in-and-year-out program is set up for every university in the country, we as life underwriters, will have probably accomplished only part of our duty. Why should we not make available to college administrations our nation-wide machinery in connection with another of their pressing problems?

Hundreds of boys and girls in this country enjoy rather blindly and without full gratification, I sometimes think, the benefit of scholarship funds. They do not pay tuition charges—the half-cost of their education. Funds of various sorts pay, out of principal or interest earnings, full or part tuition for a great many of our students.

In fairness to the student, ought not every recipient of higher education recognize a moral obligation to at least pay full tuition charges? It is some times held that students ought, at some time or other, to pay full educational costs, but we will conservatively assume that standard tuition charges are a rightful indebtedness of every student.

Endowment Insurance

Makes Future Payment Certain

Students on scholarship presumably cannot pay tuition in cash. How would you, a life insurance man, fund a bill for certain payment in the future? Endowment insurance, most certainly.

As soon as a freshman is granted a scholarship, why not, as a condition of the scholarship, write a 20-year endowment in the amount of the four years scholarship, with the scholarship fund for beneficiary?

If necessary or advisable, I am sure our companies will quote on a special scholarship endowment policy, carrying a very small annual premium for the first five years, a higher annual premium for the next five years, and a higher level premium for the last ten years. Such a contract would be a minimum tax on the student during his undergraduate years and his first year out of college, and a moderate charge against him until he has established himself.

Education is the bulwark of our democracy. Any service life insurance men may render will rebound to our distinct betterment, both immediate and ultimate. Our equipment for service is unequalled. With the two rough pieces of marble here presented—one measured and shaped and the other as yet untouched—may we build for ourselves enviable monuments of service, as we have done elsewhere, on every collegiate campus in this country.

Graham Brings Greetings from American Life Convention

GEORGE GRAHAM, vice-president and actuary of the Central States Life of St. Louis and president of the American Life Convention, brought greetings from the latter organization. He said:

I deem it a privilege to add a word of welcome on behalf of Missouri, outside of Kansas City, and I welcome you to Missouri.

Were there anything less than the most friendly ties binding your association and the American Life Convention together, I would deem that the business which we all represent would suffer more serious injury; fortunately, there is nothing but the most delightful harmony, the most complete understanding between the executive and the agency department of our business. These two offices are complementary to one another. Neither can function alone. Each is dependent upon the other for its success. I like to think of the executive and the agency branches of our business as representing the science and the art of life insurance.

Uninspiring but Very Necessary Things

On the executive rests the responsibility for the skillful and efficient management and development of the business. He must see to it that the funds are safely invested, the policy contracts well drafted, saleable in form, easily understood, not susceptible of misunderstanding, meeting all legal requirements; premium rates must be adequate, yet meet conditions of a business, than which there is none more frankly and keenly competitive; risks must be skillfully selected, adequate reserves must be maintained and in fact the executives must do all of the uninspiring but very necessary things to the proper and efficient conduct of the affairs of the company.

On the other hand, the agent must have the gift of imagination, ability to paint a fascinating word picture, power to appeal to the higher senses, quicken dull feelings, draw on the emotions, arouse instincts, perhaps long dormant, instincts of self-respect and manly responsibility. These are the arts of which the agent must be master and so we have the executive and the agent, each by himself helpless to perform the whole task, but when acting in unison making of the cold printed words and figures of the policy contract a living and inspiring passport to peace of mind, contentment and independence.

Insurance of \$13,000,000,000 in Younger Companies

Perhaps it will interest you to know that the American Life Convention has been functioning for some 20 years; it has a membership of 137 companies, mostly of the south and west and of necessity of the younger generation, yet it has a total insurance in force of \$13,000,000,000. Practically all of this insurance has been placed on its books during the period of the existence of the American Life Convention. We recognize that this vast volume of business in a very peculiar extent has been placed with us through the courage, the energy; and the industry of the agent.

The relationship between the policyholder and the company in the eastern companies is a good deal more direct than is the case with the companies which make up the American Life Convention. We have to rely to a great extent on the agent to maintain the proper relationship between the policyholder and the company; in fact, to many of our policyholders the agent is the company. It is a matter of considerable concern to us therefore, that the agent shall measure up to these responsibilities and we recognize the National Association as a most important

factor in equipping the agent worthy for these responsibilities.

Great Driving Power For Good in Business

The National Association of Life Underwriters is in my opinion one of the greatest driving powers for good in the life insurance business. To its everlasting credit it meets year after year, holding its conventions, imbued with but one idea, to educate, to enthuse and inspire its members to greater efficiency in their chosen field of endeavor.

Each year at these meetings a new text book on life insurance is written and an added wealth of experience made available for the underwriter.

The growth of life insurance in the past decade has been phenomenal, yet a large part of this increase has been absorbed in the reduced purchasing power of the dollar. The average amount per capita of life insurance carried by the people of this land is greater than any other country, yet it is freely admitted that the earning capacity of the average provider and producer is still woefully underinsured.

Duty Also to the Man Who is Insured

It seems to me that our problem today is not so much to carry the message of life insurance to the uninsured as to try to convince the man who is insured, the man who thinks he is adequately insured, how far short he falls in the amount of insurance he is carrying and meeting his responsibilities and obligations to those dependent upon him.

Your association has long ago pointed the way to life income policies, trust fund settlements and program life insurance. We hear a great deal of the saturation point of other businesses; whether it is to our credit or not, the saturation point in the life insurance business is still a long way off. I doubt very much whether it will ever be reached. It may be that as time goes on and man continues to progress, and higher and broader conceptions of his obligations and responsibilities come to him, he will require less urging to turn to life insurance and the service that life insurance is prepared to render him.

It may be that other agencies will be developed for focusing his attention on life insurance, as the one instrument available to him to assure the consummation of his plans, whatever may befall, but I am persuaded that man power will always continue to be the one most important influence in persuading, cajoling and compelling men to buy life insurance now. Bacon has said several hundred years ago, "I hold every man a debtor to his profession." Debts and obligations should be met. The obligation that you owe to your profession can at least be repaid in part through your service to the National Association, and be very sure that everything you contribute to your association will be returned to you and repay you many fold in increased efficiency and a greater ability to carry the message of life insurance to those in your care.

CONGREGATIONAL SINGING

The very first thing at the opening session this year was congregational singing led by Roy Williams of Oklahoma City, who proved to be quite capable of causing the crowd to burst forth in song. For many years the National Association meetings have been opened by community singing. It has been found that this plan has the effect of waking up the crowd and "getting them on their toes." In the middle of the Tuesday morning meeting ten minutes more for singing was taken and the crowd seemed to enjoy the opportunity to relax.

Life Insurance and Economic Changes

Progress Made in Protection of American People Not Dependent on General Financial Condition of Nation

By CHARLES G. TAYLOR, JR.

Assistant Manager and Actuary, Life Presidents' Association.

ARE variations in the volume of legal reserve life insurance in force subject to the vagaries of national prosperity or is there at work a great influence that continues its forward progress despite, rather than because of, basic economic changes?

We are fortunate now in having at our disposal scientific studies of the national income upon which to base some very satisfying conclusions in our attempt to definitely answer this very pertinent question. The national income in 1909, by the studies of the National Bureau of Economic Research, was placed at \$27,600,000,000. It increased slowly

from 2.40 per cent to 2.16 per cent, or 10 per cent of the 1915 ratio. We were then well into the World War period with a rapidly mounting national income. But during this period, 1916 to 1920, of rising national income the percentage of premiums to national income continued materially below that percentage for 1916. (Transactions of the Bureau of War Risk Insurance are not included in this study.) In 1921, the national income declined over \$11,000,000,000, or 15 per cent, while the ratio of premiums to national income during that year increased sharply from 1.87 per cent to 2.45 per cent, or 31 per cent of the 1920 ratio. Thus we see that in periods of abnormal economic changes, life insurance results, as measured by the premium income, do not follow the normal indications of such changes.

Did Not Keep Pace During the War Period

During the war period, with its accompanying unprecedented economic changes, the volume of premiums grew rapidly, but not apace with growth of the national income. Then we marveled at the rapid increase in the volume of insurance. Now we see that the business of life insurance did not keep abreast of the growth of national income.

But we have great comfort in the results of 1921, when the volume of premiums increased and when the percentage of premiums to national income made a marked increase, this despite the fact of an accompanying precipitate decline in the national income.

Three Questions Submitted As Test of Facts Shown

What conclusions may we draw from these facts? For the test, we submit three questions, viz:

1. Was the decline in the percentage of premiums to national income in the period of 1916 to 1920 because the margin of income above actual necessities did not keep pace with the growth of income?
2. Was this decline because of a temporary setback in the public appreciation of the value of life insurance?
3. Or was it because of the fact that life insurance is sold, not bought, and because the effective activity of the sales forces could not be increased as rapidly as the growth of the national income?

Ratio of Premiums to National Income Declared

A negative answer to the first question is supported by a study of the per capita income of those gainfully employed, when stated in terms of 1913 dollars, from 1916 to 1920. That income was \$919 in 1916 and \$907 in 1920, or a decrease of 1.3 per cent in the income, stated in terms of 1913 dollars, of 1920 as compared with 1916. The percentage of the national income paid for life insurance in 1916 was 2.16, while for 1920 it was 1.87, or a decrease of 13 per cent in the ratio of premiums to national income for 1920 as compared with 1916. That is, the decline in the ratio of premiums to national income for 1916 as compared with 1920 was nearly ten times the decline in relative value of the income of those gainfully employed for the two years.

Those of us who recall the great public interest in life insurance accompanying the government insurance scheme

for the army and navy will immediately answer the second question in the negative.

Influence of Constantly Increasing Effectiveness

In answering the third question, we reach a satisfying conclusion. That changes in the total volume of life insurance do not follow in immediate response to basic economic changes is also apparent. That there is at work an influence of constantly increasing effectiveness is demonstrated by the fact that the ratio of life insurance premiums to national income increased from 2.09 per cent in 1909 to 2.45 per cent in 1921. In the light of these results over so long a period of time, is it not demonstrated beyond question that the purchases of life insurance bear a more direct relation to the educational and selling activities of the companies and members of this great organization than to the changes in economic conditions? The facts appear to positively demonstrate an affirmative answer. While the rise in national income was accompanied by a decrease in the percentage of national income devoted to insurance, probably due to inability to expand the sales force apace with the growth of national income, we should take great pride in the fact that the sudden drop in the national income from 1920 to 1921 was accompanied by the largest yearly percentage of increase for the entire period under observation in the ratio of life insurance premiums to national income.

Gains Held in Face of Adverse Influences

Thus, during the period of unprecedented prosperity, the business of life insurance, while not completely responding to these conditions, still made what would have been great gains under more normal conditions, but these gains were held against the adverse influence of a decline of national income. In the light of post-war experience, we are led to the conclusion that the course of life insurance has been more nearly that which we should have sought had we been able to foretell with unerring accuracy the events to follow in the wake of the rapidly increasing national income of the years 1916 to 1920. We must conclude, therefore, that it is for the ultimate good of the institution that the volume of life insurance should not grow in immediate response to unusual upward swings of income and prosperity, nor suffer a set-back with the decline of prosperity. It is preferable that life insurance should respond, as it always has, to influences of continuous and increasing efficiency so that a position once attained may be held even against adverse conditions.

Considered in Terms of Amount of Protection

We have been studying life insurance from the standpoint of the amount paid in premiums. Now let us consider it in terms of the amount of protection. The national income from 1909 to 1921 increased 131 per cent, while the per capita of legal reserve life insurance in force to the entire population of the United States increased 156 per cent. But our enthusiasm is somewhat dampened when we consider the results in comparative purchasing power of the dollar—the real test of progress. Using the index figures of the National Bureau of Economic Research, we find the per

capita insurance in force in 1909, in terms of the 1913 dollar, to be \$141.95, while by 1921 it had increased, again speaking in terms of the 1913 dollar, to \$200.78, an increase of only 41 per cent in the per capita insurance in force, in terms of the 1913 dollar, against an increase of 156 per cent in terms of the current dollar.

Per Capita Insurance Compared with Income

A more reliable index of insurance progress is furnished by the comparison of the insurance in force per capita to those gainfully employed with their per



CHARLES G. TAYLOR, JR.
Asst. Manager Life Presidents' Assn.

ly, but with fair regularity, to 1915, when it was \$33,000,000,000, then increased rapidly during the subsequent war period to the high point of \$74,000,000,000 in 1920, and dropped to \$63,000,000,000 in 1921.

Steady Climb in Life Companies' Premium Income

During the period of 1909 to 1921, there was a steady climb of the annual premium income of legal reserve companies from \$565,000,000 to \$1,500,000,000. But the variations in the percentage of the national income devoted to the payment of life insurance premiums did not correspond with the yearly changes in national income during this period. On the contrary, the trend of this percentage for several years was quite opposite to the trend of income.

During the seven-year period of 1909 to 1915, there was, with one exception, an annual increase in the percentage of premiums to the national income and, with the exception of one year, an annual increase in the amount of the national income. At the end of that period, in 1915, there was an increase in national income over that for 1909 of 21 per cent, while the ratio of life insurance premiums to national income increased 15 per cent. In other words, during the period of normal increase of the national income, a progressively greater proportion of it was invested in life insurance.

Very Different Picture Shown from 1916 On

But 1916 gives us quite a different picture. The national income in that year increased violently by over \$6,000,000,000, or nearly 20 per cent, while the ratio of premiums to national income dropped



A. E. MYERS, Kansas City
Chairman General Convention Committee

capita income. In terms of the 1913 dollar, the income of those gainfully employed was \$823 in 1909 and \$887 in 1921, an increase of 7.8 per cent. The insurance in force per capita to those gainfully employed in 1909 was \$379.25 and \$536.71 in 1921, (in terms of the 1913 dollar) an increase of 42 per cent. The buying value of life insurance protection, therefore, increased during this period nearly six times as fast as the increase in the purchasing power of the income of those gainfully employed.

And finally, the per capita income of those gainfully employed in 1921 was \$1,537, while the insurance in force per capita to those gainfully employed was \$930.43, both in terms of the current dollar. That is, insurance per capita to those gainfully employed was only 60.5 per cent of their average annual income.

Life Insurance Nowhere Near Saturation Point

While it is unfortunate that data is not available to permit us to bring these studies down to date, yet another fact is apparent from these latter figures. The total of \$64,000,000,000 of legal reserve life insurance in force at the end of 1924 is most impressive, and it is evident from these studies that life insurance companies and their representatives have made substantial forward progress in meeting their obligation to extend the benefits of life insurance. It is also evident, however, that life insurance is nowhere near the saturation point when the amount in force per capita to those gainfully employed is only 60.5 per cent of the average income for one year.

There is before us a great field for work ere our mission shall be fulfilled.

President's Report on Work of Year

By JOHN WILLIAM CLEGG

THE strength of each local body depends upon the character and interest of each individual member just as the strength of the National Organization in turn rests upon that of each local association. It became very clear almost at the outset that the new administration should bend its utmost efforts to bring to all local associations a closer, more sympathetic relationship and whatever help it could to strengthen them in their local endeavors.

Problems Challenging National Organization

Among others, we found these facts challenging us as problems:

1. A fluctuation in our membership total, which reflected directly an almost universal annual rise and fall in the membership of separate local associations for years past.



FRANK L. JONES, Indianapolis
Chairman of Tuesday's Session

2. Out of a possible underwriting strength of 200,000, a membership hovering under 15,000 (representative, it is true, of the best underwriting minds) offering a distinct obligation to enlist in permanent membership a greater portion of this larger number.

3. Lack of intimate knowledge by many company officials, insurance commissioners and our own members of what the national and our local associations have done and are doing for legal reserve life insurance, and for all interested therein.

4. The absence of a unified cooperation of the various underwriting members in different parts of the country thereby limiting the effectiveness of the national body.

5. The need for increased revenue in the local associations to meet the increased obligations and opportunities for service to the members.

Lack of Contacts Called a Weakness

One organization weakness seemed to me to be in the absence of a personal vital contact between the national and local associations. It was evident this could not be effectively supplied by the president who changes every year. A casual visit of a new president is good as far as it goes, but the effect in most instances is not permanent, and if it were possible to visit our 160 associations it would, I believe, give only a temporarily beneficial effect. To administer properly your affairs, it is absolutely essential for your president to visit some associations both large and small and obtain first-hand information

by personal contact. Yet that is not enough.

Scientific organization knowledge cannot be expected of life underwriters. To secure the services, therefore, of a man who could devote all of his time in making favorable contacts and who had organizing ability, took about two months and, finally, I believe we are most fortunate to have obtained William A. Searle, who has a thorough knowledge of organization work in all of its phases. As Mr. Searle meets us in our own communities and becomes more familiar with our work and aspirations and better known to us personally, his services will be increasingly effective.

Personal Contacts with Company Officials

It is also essential to have more sympathetic relations with our company officials, to get their viewpoints and to endeavor to impress them with the fact that our educational and cooperative efforts are making their problems easier by uplifting both underwriters and their practices. The attitude of company officials toward my administration has been most cordial and they have helpfully evidenced it in various ways.

I would be ungrateful if I did not acknowledge with my thanks the very cordial spirit and the fair and helpful publicity given the national association during my administration by the insurance press. It is a matter of encouragement also to note a growing attitude of some of our daily newspapers to give regular space and thoughtful treatment to life insurance subjects.

Membership Increased During the Past Year

We have increased promisingly during the past year, both in number of members and in number of associations. It is being demonstrated that when properly financed, the small organization can do just as effective work locally as one in our larger communities. The coming year should see a score of new associations organized in communities where 25 or more underwriters operate. State associations should be organized to consider properly state legislation by working unitedly with the various state insurance departments for the betterment of state laws.

Financially, your association was never better off. The increased work in mind for this year is planned safely within our budget figures. As our income increases, we should continually enlarge our usefulness. You are to be congratulated upon having so able and conscientious a treasurer as Robert L. Jones.

Your trustees have thoughtfully and carefully considered all questions and arrived at their decisions solely in the interest of our further development. Without mentioning their names specifically, the chairmen and members of your various committees have served loyally and faithfully.

It is with a keen sense of loss that we are compelled to record the death of Charles Jerome Edwards, twice president of your National Association, and William M. Wood, a former treasurer, both of whom gave generously of their time and means in its interests.

President's Visits to Local Associations

It is a regret that I could not visit all of our local associations, but especially those which invited me. It would, however, have meant more than three visits in each week of the year, and more important work of the association would have suffered. It was, however, a real pleasure to attend meetings and congresses and to meet so many of our members in the following cities: At-

lanta, Ga., Baltimore, Md., Boston, Mass., Burlington, Vt., Camden, N. J., Charleston, W. Va., Chicago, Ill., Cincinnati, O., Cleveland, O., Columbus, O., Denver, Colo., Des Moines, Ia., Detroit, Mich., Hartford, Conn., Indianapolis, Ind., Kansas City, Mo., Louisville, Ky., Manchester, N. H., Minneapolis, Minn., Newark, N. J., New Orleans, La., New York, N. Y., Omaha, Neb., Philadelphia, Pa., Portland, Me., Providence, R. I., Richmond, Va., South Bend, Ind., Springfield, Mass., St. Paul, Minn., Syracuse, N. Y., Trenton, N. J., Washington, D. C., Wilmington, Del., Worcester, Mass.

*State Meetings.

It was also a real pleasure as well as a privilege to accept on your behalf invitations to address the following organizations: Oct. 15-17, American Life Convention at New Orleans; Nov. 11-12, Association of Life Agency Officers at Chicago; Dec. 11-12, Association of Life Insurance Presidents at New York City. The officials and members of these organizations were most cordial and sympathetic.

Effect of Local Association Work

Where local associations were strong through a fine spirit of cooperation and helpfulness, I found no cause for complaint of either the personnel or practices of underwriters; but I heard a great deal of criticism of both, where cooperation was lacking and associations were weak.

In most associations a few generous and far-seeing underwriters give of their time and means unstintingly. They should not be called upon to do this, but we should work for a more general membership participation. Members of local associations should not expect too much from their officials until they provide them with funds to arrange interesting meetings and otherwise provide informative and inspiring matter.

Monthly meetings should be held and if all of our local associations could plan to hold these on the same day of each month, it would make us all feel more united.

Increased Dues Needed in Local Associations

Realizing the need for more revenue, it was but natural that your trustees should suggest an increase in dues to local bodies. Many associations are increasing their dues, and their augmented activities and strength show good results from the increased income and interest.

Until these increases began to take effect the average annual dues in all associations were \$5.99 per member. We were losing the effectiveness in our local organizations because they were inadequately financed. The possibility of making our associations a power in our communities was being lost. It is impossible for a local association to do effective work with any continuity unless it is properly financed. This makes it incumbent upon every local association to take steps to increase its dues to a point where they become a real investment, and then make the investment pay dividends. Where a man's money is, there will be his interest.

Association Elections and Fiscal Years

Bulletin service has been inaugurated by the National Association to convey periodically important information and suggestions to all local officials with the hope of united action.

It is gratifying to note the number of local associations which are making their election of officers and fiscal years con-

form to the suggestion of the National Association—election of officers in June of each year while the financial year runs January to January. This practice should become universal in local associations.

Our larger associations are employing paid secretaries and are considering local headquarters where insurance libraries may be consulted and general information and aid obtained. I am hopeful that all companies and their general agents will also establish libraries by purchasing our many exceptionally good volumes on various phases of life insurance and its distribution, and also subscribe to our weekly and monthly insurance journals. The more educated we become, the more we will read.

Common Interest Meetings Continued

I was glad to recommend that the common interest meetings inaugurated with such success by my predecessor, Graham C. Wells, should be continued. They have proved very helpful wherever used.

Cooperation With Trust Companies

Under the chairmanship of Edward A. Woods, our very cordial relations with the trust division of the American Bankers Association have broadened, and we should be very grateful for the widespread publicity and cooperation of trust companies which are investing thousands of dollars in publicity advocating the purchase of life insurance. We should work more enthusiastically with these trust companies in helping to conserve and keep intact the estates created by life insurance, and otherwise. It is thought by some that while our aim and efforts should be to create estates by life insurance, we should pass on to the trust companies the responsibility of preserving the principal thereof and distributing the income therefrom. We should by all means urge our clients to make wills, and leave their property in trust with trust companies.

Director in United States Chamber of Commerce

Legal reserve life insurance companies have not been sufficiently united cooperatively as an institution, therefore life insurance has not been adequately represented in our national business organizations, especially the Chamber of Commerce of the United States. Your association took the initiative and the most active part in working for the election of Walton L. Crocker, president of the John Hancock Mutual Life, to the directorate of that body. A sectional agreement existing prior to Mr. Crocker's candidacy having been announced, took from him the few additional votes necessary for his election. Next year, however, we should be represented by a director on the national board without fail and we should bend every effort towards that accomplishment.

Sesqui-Centennial Insurance Exhibit

An exceptional opportunity to present legal reserve life insurance to our own people and also foreign peoples is offered us through the social economy division of the Sesqui-Centennial, an international exposition to set forth the progress during the 150 years of American independence in our arts, sciences and industries. Several companies had already secured space for which they paid at the rate of \$5 per square foot, when the idea of a cooperative educational exhibit was conceived.

After I had personally consulted the presidents of the Metropolitan, Pruden-



This Is a Good Company

¶ Its officers are all experienced field men.

¶ They know how to help you in a way that gets commissions.

Buy Life Insurance From a Good Company
Sell Life Insurance For a Good Company

The Universal Life Insurance Company

DUBUQUE, IOWA

M. A. NATION, President

tial, New York Life, Mutual of New York, Equitable, Aetna, Penn Mutual, Massachusetts Mutual, New England Mutual, Provident, State Mutual, Phoenix, Connecticut General, John Hancock, Fidelity, Columbian National, Philadelphia, Girard, and vice presidents of the Travelers, Mutual Benefit and Connecticut Mutual, all of whom reacted favorably to the big idea, it was deemed advisable to make an effort to secure the cooperation of all companies on a pro-rated basis. Up to the date of this report a very generous and hearty response has been received. All of our far-seeing officials will appreciate its advantages, I believe, when they have given careful consideration to the benefits which are sure to result therefrom according to the activities of their agency forces in the communities from which come the visitors to the exposition, and the very moderate investment each company is called upon to make.

Educate People and Reduce Cost of Insurance

By keeping this as a purely educational effort we shall be granted a free site adequate for a worthwhile exhibit.



STRATFORD L. MORTON, St. Louis
Connecticut Mutual Life

To have all companies represented is our hope, and to properly plan and control the exhibit it is proposed to have a committee composed of representatives of the Association of Life Insurance Presidents, the American Life Convention and the National Association of Life Underwriters, take charge of all matters relating thereto.

Up to this time, competition has been neither very beneficial nor economical to the insuring public. I sincerely hope that this exhibit may be the beginning of a closer relationship between the officials of our various companies, with the result that the institution of legal reserve life insurance will enter upon a new era and make greater progress in better service, and at a reduced cost, to the insuring public than was ever thought possible.

Future Means Fewer Underwriters but Better

By cooperation and not competition on the part of officials of our companies I believe we shall grow better and greater. Emphasis must continually be placed upon personal development. Infinitesimal differences in rates, terms, conditions and values result from administrative ability principally financial, selective, actuarial. Our executives as well as our underwriters should be trained. Fewer forms of insurance but better ones, fewer underwriters but more of character and ability, will mean greater efficiency in placing insurance properly and greater conservation by prolonging the life of insurance in force. Education will be our strength, and the sooner the public is better informed and more conscientiously treated, the greater the strides in adequately protecting its life values.

Life Insurance Endowments to Aid Colleges and Universities

By STRATFORD L. MORTON

General Agent Connecticut Mutual Life, St. Louis.

IN this year 1925, the professional life insurance man or woman places life insurance to cover specific personal or estate needs. Like the men or women in other professions they analyze their client's needs and then prescribe the best means of satisfying them. New problems bring new solutions.

The two previous speakers have shown conclusively the educational needs of America and some of the ways that life insurance can be of assistance in realizing those needs. Education will solve many of the evils of our democracy and while it may not be wise nor necessary for every boy to have a college education, those that are desirous of such education should find it possible of attainment.

The world war caused a great stimulus to the demand for a college education and while there are over 600 colleges and universities in America most of them are overcrowded. Increased demands must bring increased facilities, greater equipment to those now established and new colleges to keep pace with the growth in various sections and communities. These 600 colleges and universities are mainly of two types, those supported by the state and those by private endowment. Of these 600 over 140 possess endowments exceeding a million dollars, while five have gotten into the big business class with funds ranging from thirty to fifty millions of dollars.

Need for Endowed Chairs, Fellowships and Scholarships

The majority of this vast endowment has been made possible by the gifts and bequests of wealthy men. Adequate endowments mean adequate facilities and lower tuition charges. Everyone knows that no student pays the cost of his college education, especially in the technical or medical schools where large experimental equipment is necessary; the tuition in many cases covers but 10 per cent of the actual cost of preparing a student for his degree. Adequate endowments mean more students, better facilities and better college chancellors, the latter chosen for their scholarship and capacity for leadership rather than because of their money raising abilities or political qualifications in dealing with hostile legislatures. The need of adequate endowments is felt among the state institutions as well as among those privately endowed. North Carolina has 13 professorships endowed by the widow of Henry Flagler. Large gifts may always be used for buildings, but there is just as much need for endowed chairs, fellowships, scholarships and scholarship loan funds. Chancellor Hadley of Washington University, St. Louis, recently stated that there was a growing danger of class feeling owing to the great difficulty experienced by young men and women of small means in finishing their education. He emphasized the need for scholarships and loan funds, making the university facilities open to rich and poor alike. He says "the spreading of light of learning and culture are vital to our democracy."

Present Day Selling is Question of Budgeting

In the past life insurance has played but a small part in college endowment, but, as I have said, changed conditions beget new remedies. The world war in addition to stimulating a desire for education, also stimulated the spirit of giving. Every worthy enterprise has benefited by this charitable awakening.

Today, in placing insurance for fam-

ily or business needs, it is not so much a question of selling the idea as it is a question of budgeting. The same is true of bequest insurance. As we tell the man who should have income insurance: "It isn't what he leaves at death that counts so much as how he leaves it," so we tell the man interested in endowing some institution that "it isn't so much what he leaves as how much they get that counts." This is well illustrated in the bequests of Frick, Eno and Tilden within the past few years and more recently the Rector bequest of \$2,300,000 to DePauw University, reduced by over 57 per cent because of double inheritance taxes in Illinois and Michigan. Many a university has lost needed funds and many a man's desire to benefit his alma mater has been defeated by will contests that have held the will invalid. Many wills made prior to the imposition of large inheritance taxes made special bequests to various charitable institutions. These specific bequests were paid in full and the family who it was intended should receive the major portion of the estate received little or nothing after paying taxes and administration costs and absorbing shrinkage of estate caused by depreciated values. The same has been true of charitable institutions as mentioned before, who have received nothing from the residue of an estate after taxes, shrinkage and administration fees were taken care of.

These few instances show the necessity for a different solution. There are comparatively few Carnegies, Rockefellers, Dukes or Eastmans who can make large cash gifts during their lifetime. Gifts of this nature stimulate the example in others, but the fear that changed conditions may make these funds necessary for the welfare of donor's family or because of the resentment and almost certain will contest, many men are kept from making bequests who would otherwise do so. Once given, the gift cannot be recalled. Gifts to colleges as a rule are not welcome unless in cash. This means a drain on the estate.

Litigation and Uncertainty in Bequests by Will

In the bequests made by will, in addition to their uncertainty of fulfillment due to delay and shrinkage, the endless litigation and hard feeling engendered, in which either the estate or college suffers, this method of leaving money is complicated and unwieldy. Many men who intend to leave funds to colleges forget to insert the necessary provision in their wills, while such a provision is void in many states if made within a certain time prior to death. In the same way many provisions for charitable bequests have been changed because of whim or undue influence and the charity or college loses its funds. No college authority likes to take funds from an estate where to do so would cause serious embarrassment to the estate.

Some of the Advantages Pointed Out

With the need for a means of charitable expression and with the need that a better way be found to do away with the difficulties and changed conditions of taxation, etc., have brought about has come the solution to the difficulty. That solution is life insurance. Let us see how life insurance placed by professional life insurance men and women eliminates all the bad features of the gift or the bequest.

In the first place, it creates after one

deposit something that did not exist before. It increases the number of donors. There are in every community, hundreds who will be glad to remember their alma mater when they can do so by a 2 to 3 per cent payment out of income, knowing that their beneficiaries will not begrudge payments from income as they would principal from the estate, thus eliminating hard feeling and possible or probable litigation. Life insurance endowments provide immediate cash, free from delay and shrinkage caused by taxes, administration expenses, liquidation losses and endless litigation. This means increased interest and income to the college. It at the same time eliminates possibility of will contest by elimination of one of chief causes, namely the question of the testamentary capacity of the donor, as insurance is issued only after physical examination. As a specific policy is taken, the failure to make provision in a will for college bequest is prevented.



BOLLING SIBLEY, Memphis

however, changed conditions upon the part of donor's family or changed conditions upon part of college enables adjustment. Paid up and cash values give the college an increasing asset if the insured is unable to continue his premium deposits. Life insurance eliminates much undesirable publicity as it is not subject to probate. The premium deposits can be included up to 15 per cent allowable deductions in computing donor's income tax. The loss of a policy as in the case of a lost will does not defeat the bequest to the college. As I stated before, to open the field for college endowments, see that there is in the program of your client a specific provision for college endowment and for a specific college need, a new building, a new library, an endowed professorship, a fellowship, a scholarship, a student loan fund. The provision that this shall be known as the John Doe building, library or John Doe endowment, does not interfere with its inclusion in an estate program. Fellow underwriters, let's paraphrase the florist's slogan and say it with life insurance. In this manner we can make good our obligations to our clients and assist in the underwriting of America's educational needs.

Tells Educational Needs of America

H. P. Gravengaard of Aetna Life
Points to High Standard Sought

WRITING from Monticello to Colonel Yancey, after his retirement from the presidency in 1816, Thomas Jefferson made this significant statement:
"If a nation expects to be ignorant and free in a state of civilization it expects what never was and never will be."
No type of government has such need for trained leadership at the top as has a democracy, and no branch of the public service in a democracy is fraught with greater opportunity for constructive statesmanship than is public education. By it the next generation is moulded and the hopes and aspirations



H. P. GRAVENGAARD
Manager Sales Training, Aetna Life

and ideals of the next generation are formed. The growth of our nation, and the extension of the suffrage to more and more diverse elements in our population makes an uneducated citizenship a public peril.
To prepare the voters of the future well or ill for the responsibilities of citizenship and government rests almost entirely with the schools of our nation. What progress we as a people make in national character from generation to generation is largely determined by how well the public school has seen national needs and been guided by that largeness of vision without which but little progress in national welfare is ever made.
Training of Youth for Social Responsibility
Responsibility for the conduct of society and government rests on every member of society. Therefore every one must receive a training that will enable him to meet this responsibility giving him JUST ideas of the condition and needs of the people collectively, and developing those qualities which will insure his doing a fair share of the work of government. On a single day, election day, the fruits of years of labor can be destroyed. In the words of De Witt Clinton, first governor of New York: "The great bulwark of republican government is the cultivation of education, for the right of suffrage cannot be exercised in a salutary manner without intelligence."
That illiteracy is incompatible with our democracy has been evident to our leading statesmen and educators from the very beginning of our national life, but it took a world war to bring this fact forcibly to the attention of the general public. One thing revealed by the war was the astounding high percent of illiteracy among those summoned by the first draft. Seven hundred thousand illiterates were subject to the first call and 200,000 of them were drawn into the

training camps. How could such men make good soldiers? In a modern army a soldier must be able to read orders, and signs of direction, to say nothing of the importance of getting into the spirit of the whole thing through the printed papers and other printed material. These illiterate recruits actually delayed military preparation, and so for the first time, our nation awoke to the real meaning of illiteracy. No nation can with safety permit one in thirteen of its adult population to be unable to read.

Danger in Element of Illiteracy

This condition must be remedied if we are to make our own nation safe for democracy. What a tremendous power for evil lies latent in so large an element of illiteracy. No American citizen can with safety to our social order be merely "Hands and feet to fetch and carry." These people are absolutely unfitted to participate in the complex industrial and political life of which they now form a part.

This suggests to me a very important need. Our people must be educated, and by law every intelligent child should be compelled to finish high school. This will work no hardship on the family for it is a matter of fact that only a few of the children that drop out of school before the age of 18 do so more because of lack of interest than because of any other reason. They would rather be doing something where there is a little money involved, not old enough to understand that a common school education increases the value of a life to the world 3 8/10 times as much as if there had been no education; that a high school education increases the value of a life 23 times as much as if there had only been a common school education and 87 times as much as if there had been no education at all; and that a college education increases the life value 9 1/3 times as much as if you had only had a high school education; 215 times as much as if you had only a common school education, and 317 times as much as if you had no education at all. Of the notables in "Who's Who" out of 10,000 men considered successful 7,700 have had a college training.

Even from an economic point of view, all studies which have been made as to the money value of an education have clearly demonstrated the value of children staying in school as long as possible.

If this is true then the welfare of the nation as well as that of the individual demands that all intelligent children be compelled to complete a minimum of a high school training, and in such cases where holding the child to school works a hardship on the family, the state should compensate the family proportionately. For this the state will receive interest a thousand fold.

Draft Disclosed Low Level of Physical Health

Another revelation of the war was the low level of physical health of our people disclosed by the army draft medical examinations. In the first draft approximately one in four of the young men between the ages of 21 and 30—the time when a young man should be in the prime of physical condition—were found to be physically unfit for military service. Others who were accepted had to be placed in development battalions to bring them up to physical standard. It is fair to believe that, had our young women, between the same ages, been called up for important national duty, an even larger percentage among them

would have been rejected. Such tests of the nation's physical stamina are startling, and one can readily understand that these revelations as to the physical incapacity of our young men, together with the many recent studies of rural and urban health conditions, have given a new emphasis to constructive health work in our schools. Medical examinations are now quite common in our public schools, but they should be extended up the complete ladder of education, from the kindergarten, through the grade school and high school and up through the universities. But this is not enough: We must have compulsory physical training throughout the complete educational ladder. I know we have what is called physical culture in our schools, but it is absolutely hopeless. Not the slightest attention is given to an intelligent and systematic, gradual and harmonious development of the body. It is specialization as far as physical development is concerned. All movements are of the most indefinite type, in our sports, games, athletics and physical culture, and consequently of little corrective influence.

Swedish Gymnastics Held to Be Desirable

The solution of this most important problem is found in Swedish gymnastics which should be entered on the curricula of all our schools. The aim of Swedish gymnastics is a systematic, gradual and harmonious development of the body. All exercises are selected for their effects upon the physiological functions or bodily posture, with especial emphasis on the latter. An effort is made to build up the different organs in order to make them better fitted for their natural functions and for their use during daily life. It is kept in mind that exercises must have a corrective influence. Swedish gymnastics are characterized by an arbitrary and minute classification of exercises, and the arrangement of these in a lesson. The idea of orderly progression in the use of exercises with regard to their physiological and mechanical difficulty is one of the most valuable contributions made to modern gymnastic practices.

Swedish gymnastics, more than any other kind of physical activity, give sufficient guarantee that all the pupils will be reached and get the kind of exercises which they need most—not what they like most. Also, the corrective influence is the most desirable and most important element, and cannot be obtained by the practice of games and sports.

It has been said, and I believe it to be true, that our young folks don't like discipline and order, etc. In as much as a certain sense of discipline and order is a very valuable quality for the American citizen, it should be developed, and without question Swedish gymnastics is a positive power to this end.

The necessity of insuring the health of all young people as the foundation on which to build other qualities and abilities, and the hopelessness of trying to build where the body is weak, ill-nourished, or uncontrolled is a self-evident fact. The children in our schools must be taught to seek positive help from the body. They must learn to understand that bodily exercise is a direct aid, as it may be, to intellectual and will training. For all the higher forms of bodily exercise, says Romanes, are exercises even more of the higher brain center than of the muscles. I think Browning had this in mind when he says in the Rabbi Ben Ezra:

"To men propose this test:
Thy body at its best,

How far can that project thy soul
On its lone way?"
Great Need in America
for Men Who Think

A third educational need of America is for men who can think. There are so few who have the capacity for analytical thought. This fact has caused many an international smile, and been deeply humiliating to our nation.

I have read that the late Professor James of Harvard, after years of investigation, came to the conclusion that the average man used only about one-tenth of his brain power. Think of it—nine-tenths of the average American's brain is a desert waste. Evidently a certain gentleman is right when he says that the Great American Desert is not located in Idaho, Arizona and New Mexico, but instead is under the hat of the average man.

Evidently we are a nation of know-nothings, we haven't learned to use our brains, we have been more interested in training the hand than in training the mind, we have been more interested in making a living than in making a life, we've been spending too much time thinking about ourselves and consequently thinking about nothing, we haven't been able to solve many of our greatest problems because we haven't had enough men who could analyze the situation and think through to a logical conclusion. We have too many of the Effie Cherry type. Effie Cherry, you know, is a nationally known ex-actress who is running for the office of mayor of Cedar Rapids, Iowa. In outlining her platform to a representative of the New York "Times" she said in part in discussing education and the teaching of art in our schools: "What do we want to do, have a generation of artists? Why, when my sisters and I went to school we had none of these highfalutin ideas sprung on us. We learned how to read, write and spell. There was no painting or scribbling of pictures. And we got along just as well. I don't believe in spending so much time and money teaching our young people a lot of things that will not help them get along in the world. Another thing is this gymnasium craze. Every school now has a big gymnasium. We didn't have them when we were in school. And we had much better health than the children do nowadays with all their physical training."

The only thing that's wrong with Miss Cherry is that she never learned to think—to visualize results in her mind. Because they didn't have certain advantages when she went to school, it isn't necessary now. Such reasoning is childish and dangerous to our free institutions. The tragedy is that we have so many just like her, opinions based on ignorance, prejudice and passion.

Emphasizing Material at Expense of Cultural

This is a sad situation that calls for a remedy, and the solution lies in a reorganization of the educational content of our school system right from the kindergarten, up through the high school and on through college. Especially the high school needs attention. We have been emphasizing the material at the expense of the cultural to an extent that is almost tragic. Our boys and girls must be taught that it is far better to make a life than to make a living. Materialism must not be allowed to kill the souls of our children.

The one prime purpose of our school system should be social efficiency, civic virtue, and character. We must fit our young people for a bigger and a better life. They must learn to do their own thinking, for then only will they be masters of their own destinies. To accomplish this end, we must emphasize the cultural rather than the practical.

The courses of study should be fewer and well defined up the whole educational ladder, and not until the junior year in college should there be any freedom of selection. Few know what they want before their junior year, and not many are sure until after they have completed their college course. The general practice now is to pick the easiest courses that can be found. How foolish it is to allow a student to enter the law school or any other professional school after two years of college. No professional schools should be open to any man or woman who has failed to complete the college course satisfactorily. The whole educational ladder, kindergarten, grade school, high school, and college, should have but one purpose, the interpretation of life, the broadening of the mind, the development of character, and the healthy and harmonious development of all the natures in order that our children may better fit into the scheme of life. The common man must be raised to those higher planes of thinking, feeling and social action which the complexity and interdependence of life demand. With such a purpose in our educational system our children will grow up to enjoy a bigger and broader life. America will then be safe for democracy, and her world leadership will be secure in a thorough and sympathetic understanding of world affairs.

Surety Company Has Text Book on Honesty

Another educational need in America has been particularly emphasized lately by the rising tide of crime. It seems of late that stories of murder, assault, hold-up, robbery, embezzlement, banditry, forgery, blackmail, etc., are crowding out all other kinds of news from our daily papers. The nation is gradually awakening to the seriousness of this condition and is crying for relief. So serious is the situation that public spirited men have organized a "crime commission" which will make a study of crime, its causes, and how it may be remedied. Specific remedial movements have also been initiated of late by private interests. One of the most interesting is that of the National Surety Company, through its "National Honesty Campaign." This company has received enthusiastic commendations from at least 2,000 city superintendents of schools, most of whom wrote that if the company would send them material for honesty lessons they would have their teachers use such lessons in their daily classes. In response to this appeal the company has prepared a textbook on practical honesty, and it has been placed, free of charge, in the hands of 20,000 public school teachers. This undertaking has proved so much worth while, that philanthropic men of wealth have assisted in its further promotion.

There is something wrong somewhere—and I am inclined to believe that the Chicago "Evening Post" as it is quoted in the "Literary Digest" of Aug. 14, 1925, has pointed out the real cause. This quotation says in part: "The increasing complexities of our modern civilization and the decreasing efficiency of those restraints which were once found in the home and religion are factors tending to the making of criminals."

Home Isn't What It Used to Be

This is quite true. The home isn't what it used to be, and it never will be. Conditions have changed so tremendously with the industrial revolution that the home can never again exert that general influence for good which it did so remarkably well in earlier days. The tragedy of it all is that we haven't been astep of this change and seen to it that some other agency was prepared to render the same moral influence for the younger generation which the home was relinquishing.

No, we must look elsewhere for help in solving this great problem.

The only agency which can solve the problem is our public school system,

Increasing The Representation at the National Conventions

By PAUL F. CLARK

Second Vice-President, National Association of Life Underwriters

AS it is customary for the officers of the National Association of Life Underwriters to say something in reference to their work of the past year, possibly offering suggestions for the future as a result of their activities, I should like to say a few words in regard to the general subject of the representation at our national conventions.

The National Association of Life Underwriters is an association of the various local units, of which there are now some 165 throughout the length and breadth of this country, and the National convention is, in theory, at least, the annual meeting of the delegates from these various local associations to discuss our problems, transact any business that should properly come before the national body, and exchange new thoughts or plans which may be for the common good of all of us.

Low Percentage of Locals Represented

In plan of organization we do not differ materially from other national bodies representative of other professions, trades, etc., but in one particular we, up to the present time, have differed greatly. If we were to attend the national session of the American Bar Association, American Medical Society, National Fraternal Congress, Independent

which is the only agency that reaches the great mass of our people.

The importance of guiding the minds of the younger generation during the character-forming period is a public duty, and a very important public duty which has been sadly ignored by our school system. The purposeful teaching of character is of the utmost importance to our children and to the society in which they will move.

Religion as such, of course, cannot be taught in our public schools, which are supported by all without distinction of religion. But we can teach reverence for a higher good. It was Roosevelt who said, "I only desire that we shall not forget that beside the nation's body there is also the nation's soul." We can teach practical ethics, we can teach the difference between right and wrong, good and evil; we can implant within the minds of our young folks, respect, and honesty, and reverence. We not only can, but we must, or the very foundations of our democracy will crumble. This is the greatest challenge to our public school system. Charles Sumner once said, "The true grandeur of humanity is in moral elevation, sustained, enlightened, and decorated by the intellect of man." As it is the grandeur of humanity in general so it is the grandeur of our nation.

We have but recently witnessed the world's greatest and most terrible war. We are still in the era of reconstruction. We are called upon to lay the framework of a new social organization, and as our country called in 1917 she calls today. Let us hear that call and respond, filled with a newer and a nobler patriotism, which consists not so much in willingness to die for one's country as in willingness to live for one's country. I have faith that there are men and women who understand the great needs of America today, and that they will not fail to do the best they know how to the end that our country may be a better place to live in. May each one of us pledge ourselves to these constructive educational policies and so live for our country that it "May become a vast and a splendid monument, not of oppression and terror, but of wisdom, of peace, and of liberty, upon which the whole world may gaze with admiration forever."

Order of Foresters, and Brotherhood of Locomotive Engineers or Association of Boot and Shoe Workers, we would find that the majority of the local bodies which go to make up these organizations were represented at their national sessions by one or more delegates.

In fact, I have been interested in this matter to such an extent that I have made it a point to inquire as to what sort of representation is found at the national convention of various trade bodies, labor organizations, etc., and found that representation from the local units runs from 75 per cent to 96 per cent.

In our own national conventions, we will probably be fortunate in having this year, for example, 40 or 50 different local associations represented out of a total of 165, in fact the average representation of our local associations at national conventions has probably not run in excess of 25 per cent or 30 per cent.

Most All Come at Their Own Expense

In most other organizations it will be found that the delegate from the local association to the national convention is sent at the expense of the local, which plan has been urged by our National Association on many occasions, but there are few, if any, delegates here today who have been sent at the expense of their local association.

We must secure a better representation at our national convention from our various local associations and it seems to me that there are three ways in which this can be accomplished, first, delegates to be appointed and their expenses assumed by the local association; secondly, delegates to be appointed and their expenses assumed by the various agencies, at least the larger agencies throughout the country; and third, company representatives to be appointed and expenses assumed by the company which they represent.

It is probably unnecessary here to say that a delegate to a national convention representing his local association, his agency or his company, will take back to the organization which he represents new ideas, sales plans and inspiration, which will return a profit to the organization many, many times in excess of the cost involved.

Increased Dues Would Allow Paying Expenses

For this reason, I could never understand why every local association was not represented at the national convention, even if the association's treasury could not muster sufficient funds for these expenses. It would seem that some members of the association could well afford to select the man who could best represent them at the national meeting to bring back the ideas for their benefit which were offered there, sharing the delegate's expenses individually.

Isn't the trouble, in part, a resultant of the small dues which have been collected by our local association from its membership?

There is no better argument for an increase in dues at this time than that such an increase would probably justify sending a representative to all national conventions who would bring back the best material offered there. I hope that the association in taking up the matter of increasing their dues will allow for such an expenditure.

Send Delegates at Expense of Agency

The second means of representation, before mentioned, namely, that from

the larger agencies, is one which I think should receive special attention at this time. We have tried this plan in our own organization, and if you will pardon me for alluding to our personal experience, I will tell you how it has worked out with us.

This is the third national convention to which delegates have been sent at the expense of our agency and I doubt whether any investment we have ever made has yielded a better return. We have tried various methods of selection, in all cases based on a contest but I think the one used this year will be permanent.

Two separate contests are arranged for our two poorest business months, namely July and August, and for each of these months every member of the organization was given a monthly quota which quota was agreed upon as satisfactory between the agency staff and agent before the July contest opened.

Basis of Selection of Convention Delegates

The following award was then offered: That provided the agency produced in the months of July and again in August an amount of paid-for business in excess of any previous July or August, that at the expense of the agency a delegate would be selected each month to represent us at the national convention at Kansas City, all of his expenses, including railroad fare, Pullman, hotel accommodations, etc., to be assumed by the agency.

One Agent Had 119 Chances of Selection

It might be interesting to add that in the months of July and August, our agency exceeded all previous July and August production, and during the month of July an agency member broke the agency record for one month's paid-for business. In the month of August, another member of the organization broke the agency record previously established in July for the amount of paid-for business in one month.

In July one of our members had 119 tickets in the drawing and was the successful delegate. In August one of our agents had 81 tickets in the box although he was not the successful delegate, but a man who had 9 tickets drew the lucky number and here represents us as one of our delegates.

I am sure Warren Hosmer will not mind my mentioning him to illustrate our plan more completely, for his quota for the month of July and again in August was \$20,000. In July he exceeded his quota by \$236,000, which entitled him to the following—one ticket for having paid for his quota and 118 tickets for the additional \$236,000 of business paid for.

Additional Business Covers the Expense

I also am sure that our agency paid for enough additional business in the months of July and August to justify the expense involved on the part of the general agents in sending our delegates to Kansas City, to say nothing of the wonderful benefits which the men who are here to represent us will receive, and the benefit which our whole organization will receive from these men who will carry back the story of this wonderful convention.

The third plan, as suggested, would involve some arrangement whereby companies would offer to send representatives from certain agencies who exceeded quotas which were allotted to them or achieved some other unusual record which should be rewarded.

There are various organizations made up of company officials such as the Life Presidents' Association, Agency Officers' Association, etc., and I think, without doubt, the expenses of the company representatives who are sent to these conventions are assumed by the companies themselves. It would seem, therefore, that some of our companies, at least, would be willing to assume the expense of sending some of their sales representatives to the national

(Continued on Page 17)

Grow with
Pearson & Larson
the Growing Agency

We believe Kansas City is a good place to live and work in. It is a growing metropolis. In the progressive agency of Pearson & Larson your growth and prosperity will be limited only by the extent of your capabilities and ambition. If you have confidence in your own ability, Kansas City is the place for you.

PEARSON & LARSON
630 Scarrett Bldg. Kansas City, Mo.

1843



1925

J. F. TROTTER

Manager
KANSAS CITY AGENCY
The Mutual Life Insurance Co.
of New York
8th Floor Sharp Bldg. Tel. Main 2324



KANSAS CITY Agents are mighty glad to welcome delegates to the National Life Convention. They feel that great honour has been conferred on them, and that this is the best convention that has ever been held.



Kansas City offers live insurance men wonderful opportunities. General Agencies on this page are well established, high grade concerns, and offer excellent facilities. Men operating through them are succeeding in a big way.

Don't forget to drop in and see us whenever you are in Kansas City. We'll always be glad to welcome you.



The
Kansas City Agency
of
The Bankers Life Company

of Des Moines, Iowa

extends a hearty welcome to every delegate and insurance man to visit and make themselves at home in our offices.

R. G. HAKE,
Agency Manager
513 RIDGE ARCADE BUILDING
Kansas City, Mo.

D. M. SKINNER

General Agent

Aetna Life Insurance Co.

410-418 Rialto Building

Life — Accident — Health

WILLIAM L.
SCHARLES
GENERAL AGENT

**State Mutual Life
Assurance
Company**

Worcester, Mass.

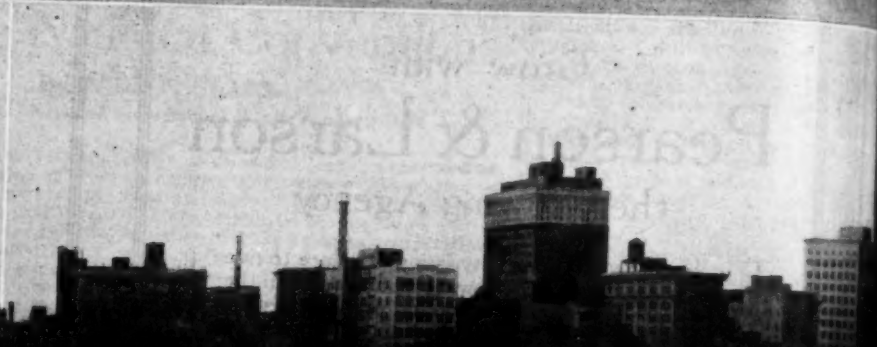
TELEPHONE 572 MAIN
700-1-2 Victor Building
KANSAS CITY, MISSOURI

Chas. L. Scott
Manager

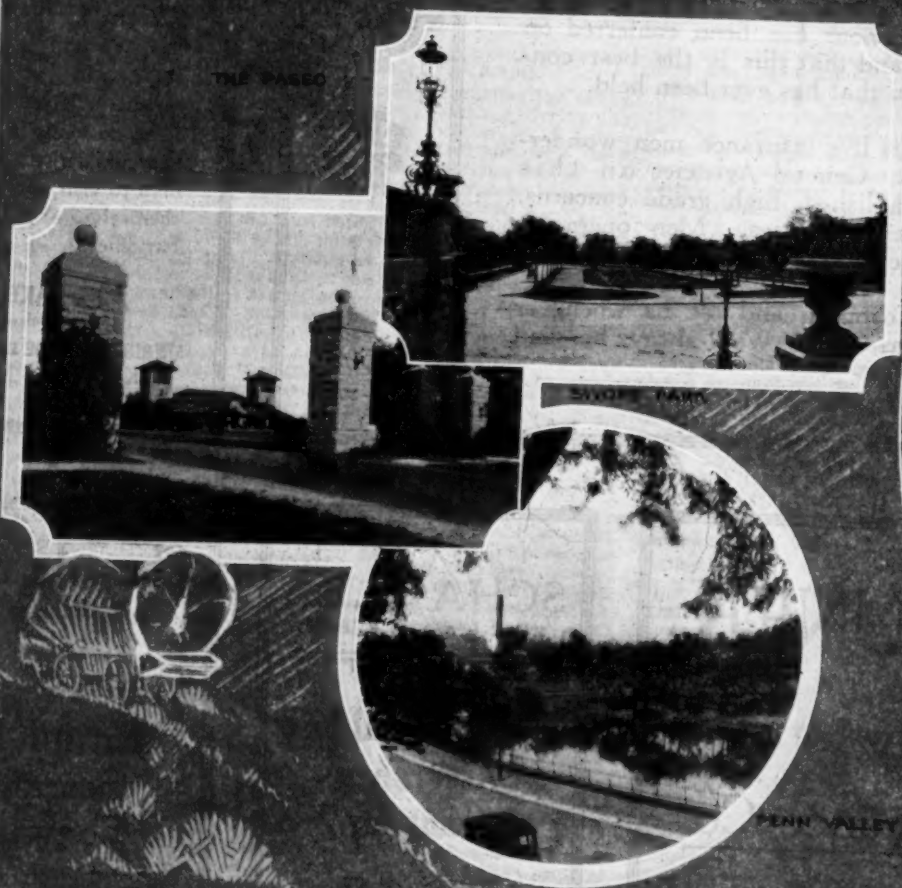
**Massachusetts
Mutual Life
Insurance
Company**

of
Springfield, Mass.

601 Continental Bldg.
Kansas City :: Missouri



Kansas City



An Invitation To All Colonists

THE officers and directors of legal companies, whose home offices are in Kansas City, invite all members of the underwriting community with their families and guests to attend the annual convention of the Kansas City Life Insurance Company on Tuesday, September 29th, at the office of the company, 100 Broadway.



Reception 8:30-9:00 p.m.
Dancing 9:00-12:00 p.m.

Throughout the week of the convention delegates will also, to visit the home of all foreign visitors. The city's old line of entertainment will be conducted by the professional entertainers and the use of every resource of the city.

KANSAS CITY LIFE INSURANCE COMPANY
J.B. REYNOLDS - PRESIDENT

BUSINESS MENS ASSURANCE CO. OF AMERICA
W.T. GRANT - PRESIDENT

1st Day 2nd Day

Welcomes You

Registration for Convention Guests

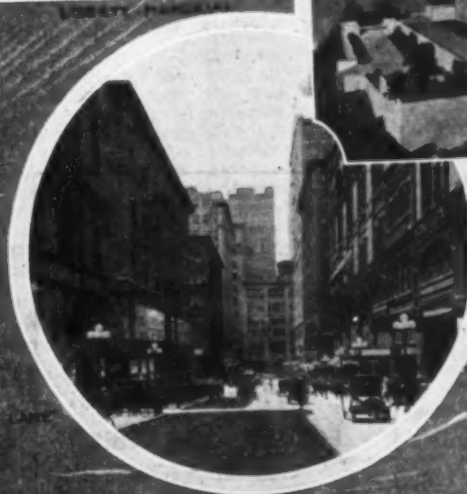
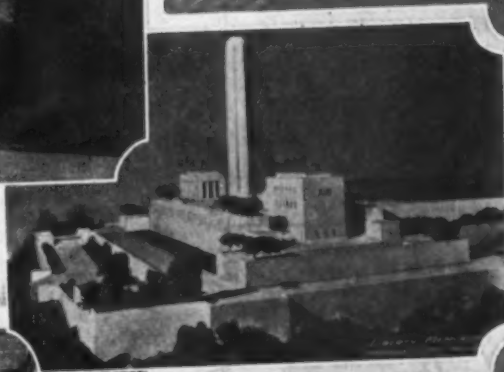
Directors of legal reserve life insurance companies of Kansas City, cordially invite the delegates of the Underwriters Association together and attend a reception this evening, September 29th, at the office building of the Kansas Commercial Highway at Armour Boulevard.

Reception 8:00 to 9:00 p. m.
Dinner 9:00 to 12:00 p. m.

Next week of convention delegates are invited, at the home of all four of Kansas and line of where they will conduct the premises and use of every and cost



WEST BLUFFS



LIBERTY PARK



AMERICAN NATIONAL FIDELITY LIFE INSURANCE CO.
RALPH H. RICE - PRESIDENT

MIDLAND LIFE INSURANCE COMPANY
DANIEL BOONE - PRESIDENT

An Old City of New
Opportunities
**Come By and Visit
The New St. Louis**
J. F. HATHAWAY
Manager
The Mutual Life of N. Y.
St. Louis, Mo.
Capital of the 49th State

Recently voted \$87,000,000 for
Municipal improvements.



St. Louis Agency
of
**Phoenix Mutual Life
Insurance Co.**
of
Hartford, Conn.
EDWARD J. BURKLEY
Manager
12th Floor LaSalle Bldg.

One hundred and fifty-six new
industries located in this industrial
district during the past five years.

Warren C. Flynn
and his Associates
Massachusetts
Mutual
in St. Louis
Extend Greetings

Sit .Louis manufacturers ship From
the Center—Nor the Rim.

St. Louis

Unsurpassed Service
Extended to
Agents and Brokers
of Responsibility
ARTHUR L. McKNIGHT
General Agent
533 Pierce Building
St. Louis

Largest market in the world for hard-
ware and woodenware, stoves, ranges
and furnaces.

HOME of some of the strongest
General Agencies in the coun-
try. We are proud to have had the
National Life Convention in the great
State of Missouri. We wish it could
have been held in St. Louis, but as
that was not possible, we are glad
Kansas City was its host.

We extend sincere greeting to the
National Association and to Kansas
City.

You are always welcome at St.
Louis.

NATIONAL LIFE
of
Vermont
FRED T. RENCH
General Agent
403 Boatmen's Bank Bldg.
St. Louis

Largest market in the world for boots
and shoes, raw furs, horses and mules,
hard wood and pine.

**The Columbian National
Life Insurance Co.**
Arthur E. Childs
President
Boston, Mass.
Life - Accident - Health
Insurance

**THE GEORGE L. DYER
COMPANY**
George L. Dyer, Gen. Agt.
705 LaSalle Bldg.
St. Louis, Mo.

St. Louis has twenty-six railroads
"to everywhere."

St. Louis Agency
**Penn Mutual Life
Insurance Co.**
of
Philadelphia
FISCHER & FISCHER
General Agents
316 North Eighth St.
St. Louis

St. Louis has ten weeks' season for
Municipal Opera, the auditorium
seating over nine thousand persons.

St. Louis Agency
**Equitable Life
Assurance Society**
M. A. NELSON
Agency Manager
Equitable Bldg.
St. Louis

St. Louis University and Wash-
ington University located here—
two of the largest educational
institutions in America.

Report From Salesmanship Committee

Discussions of Varied Topics by Individual Members
are Combined for Submission to National Association

THE committee on salesmanship this year endeavored to investigate the growth of efficiency in selling life insurance money. To give some helpful variety to this investigation, each member of the committee was assigned a specific subject, and these individual reports follow.

Growth of Education Of Life Underwriters

By J. B. DURYEA

AN educated man can do better work than an uneducated one. This is true of a shoemaker, a bookkeeper, a banker, a physician, a lawyer, a life underwriter. General



J. B. DURYEA, San Francisco
Chairman Salesmanship Committee

culture, a wide range of reading, and business experience to give judgment, make the best basis for success in any calling; and especially is this true of selling life insurance service.

But general culture and miscellaneous reading do not make a successful physician, lawyer, or life underwriter. There must be added special education in medicine, law, or life insurance salesmanship. It is only a comparatively few years since the first medical and law schools were established, but now no one is permitted to practice medicine or law until he has attended one of these technical schools. It is hardly six years since the first accredited school of life insurance salesmanship was established, and within a very few years more no one will be permitted to practice life underwriting until he has completed a course in a similar technical school.

The growth of the educational idea in agency work during the last ten or twelve years has been so great that it seems revolutionary. This growth during the next ten years will be even greater. What has been done during the last ten years is a fair foundation; the next ten years will see the structure begun.

Carry Out Economic Object of Man's Life

The life underwriter seeks to furnish a workable plan to carry out the economic object of a man's life—a plan to guarantee the success of everything for which the prospect works beyond the necessary food, clothing, and shelter

for each day. The life underwriter, with his "program," is the only one who brings to the prospect's desk a guarantee of comfort, education, and a better chance in life for his family if he dies; and happiness and ease in old age for himself if he lives. The service rendered by the life underwriter is the greatest in the world.

If it be true that an education is of greater value now than ever before in the history of the world, it is just as true that a technical education is of as great value to a life underwriter as it is to a civil engineer, a lawyer, a doctor, or a chemist. The service rendered by a properly trained life underwriter may prove to be the most valuable professional service ever received by the prospect. It seems self-evident that efficient professional training is necessary—and will soon be required. The successful life underwriter of the future will be an educated man with professional training in life insurance and life insurance salesmanship.

Many Good Schools of Insurance Salesmanship

We are getting a real start. Already we have:

1. Several accredited schools of life insurance salesmanship. Among these are regular courses in New York University, New York City; Pittsburgh University, Pittsburgh; Pennsylvania University, Philadelphia; Denver University, Denver, Colo.; Harvard University; Yale University and Columbia University.

2. The United Y. M. C. A. Schools of Life Underwriting. These schools have been held in some fifty different cities during the past two years, and have accomplished great good.

3. Several life insurance home offices are conducting a regular course of instruction of from two to six weeks.

4. Hundred of agencies are conducting regular classes for new men. Many of these agencies employ regular teachers for these classes.

Salesmanship Course of Diamond Life Bulletins

5. The Salesmanship Section of the Diamond Life Bulletin with a regular course of study outlined. Many general agencies use this course at their agency meetings.

6. The regular course of study of the Life Insurance Research and Review. The National Association of Life Underwriters recommends this course and has arranged for it to be sold at a very low price. This course is very complete.

7. There are now available a number of good books on life insurance and life insurance salesmanship. The underwriter may now have a real professional library.

8. About seventy-five colleges and universities are teaching the science of life insurance as a part of their

course of study. While these courses dwell on the actuarial side of life insurance, they are nevertheless giving young people an understanding of life insurance service.

Educational Work Done By Insurance Journals

9. The wonderful educational work being done by our great life insurance journals. The "Association News," "Insurance Salesman," "Eastern Underwriter," "National Underwriter," "Life Insurance Courier," and others, are culling out the best ideas, the most successful methods, the most helpful news, the constant improvements in service, and are giving them to everyone who will read.

10. Many home offices publish monthly house organs chock full of educational helps; and many agencies get out weekly mimeographed bulletins intended to improve the agent.

11. The splendid work of John M. Holcombe, Jr., through the Life Insurance Sales Research Bureau. This work is of the greatest value in selecting and training new men.

It is merely a matter of time when all these separate educational agencies will bring about a demand for proper training before a man will be given a license to practice life underwriting. We cannot expect that the first demand will be for adequate training, but we may expect it to be for a minimum amount of training.

Many Do Not Know That Beginning Has Been Made

We have made a good beginning, but it is appalling how many rate book carriers do not know that a beginning has been made. Education will enable men to start their work where their predecessors left off, but many men are still starting as if nothing had ever been learned. The aim of all education is to improve the work of the world, but if the worker refuses to be educated no improvement takes place. It seems, then, that compulsory education should be required and these ignorant men be compelled to learn what they are selling. This will speed the day when life insurance service will rise to the title of a profession, and also it will stop both implied and actual misrepresentation of the service rendered.

Among those who have done the most during the last decade toward better education of agents, due recognition must be given to the following men to whom the profession of life underwriting owes so much: Edward A. Woods, Winslow Russell, Earl G. Manning, Griffin M. Lovelace, Charles J. Rockwell, S. S. Huebner, William Alexander, John A. Stevenson, Jonathan K. Voshell, Charles W. Scovel, Charles Jerome Edwards, John Newton Russell, Franklin W. Ganse, J. Stanley Edwards, Orville Thorp, and many others who

have given unstintingly of their time and money in the interest of improved training and better service.

The Growth of Income Insurance

By F. W. HERON

IT has been said that we life insurance men are fulfilling needs. To my mind, there are two needs—one is life insurance and the other protection. We should fulfill both. The only reason we are not doing so is because we have not studied the income insurance; we are not offering our clients all our company has to offer.



F. W. HERON, San Francisco
Fidelity Mutual Life

It is generally stated that life insurance is protection against want and poverty. Not always, unless it is on the income plan.

By income insurance I mean policies payable in any number of installments, and life income when plan and amount justify.

Of all the forms of policies brought out by life companies in America during the past 20 years, the most popular have been those on the income plan. There has been a steadily increasing volume sold for years, and during the past five years the popularity of this form of protection has increased many fold, and more so than any other plan yet devised.

Policy Best Fulfills Most Human Needs

The greatest reason for this growth is that this policy best fulfills most human needs. The need for income exists with over 90 per cent of the beneficiaries of life insurance policies and the public is awakening to the fact that in no other way can this need be so well satisfied.

The many forms of policies now available on the income plan make it possible for an individual to accomplish results that he could not secure otherwise. To build or create an estate that will be lost within a few years is not satisfying, but through income insurance many estates can be safeguarded for almost any number of years.

Americans carry more life insurance than all other peoples combined. They are depending on the life companies for service in connection with their life insurance as never before; and while the growth of income insurance

J. STANLEY EDWARDS
GENERAL AGENT

ROCKY MOUNTAIN AGENCY

ÆTNA LIFE INSURANCE CO.

FIRST NATIONAL BANK BUILDING

DENVER, COLORADO

has trebled in the past year, this form of protection is still in its infancy.

Benefits Over Lump Sum Quickly Understood

The many benefits of income insurance over lump sum payment are quickly understood by the buyer of the average policy. The word "income" has a charm and attraction all its own, and it is something that is understood in all languages. After all is said regarding all other forms of policies and investments, there is no substitute for "income." Regular incomes to dependents is not a new idea, but it is comparatively new in connection with life insurance policies. The older forms of income were annuities. In Europe, corporate, government and personal annuities have been popular for generations. They have kept estates intact and saved them from being wasted through extravagance and inexperience. In these days of many and complicated ways of spending and investing money, it is curious how little we hear of the oldest, and for many purposes, the best investment in the world—an annuity. While a regular life policy is just the opposite of an annuity, it is now swinging about and attaching, at least partially, the annuity features.

Will Grow More Rapidly in Future Than in Past

Income insurance will grow more rapidly in the future than it has in the past. The men in the field, as well as the companies, are giving these policies and their presentation careful study; and this, together with the many advantages embodied in this form of protection as compared with lump sum payment insurance, means that tremendous volumes of income insurance will be written in the years ahead.

The income policy has many advantages. It creates and leaves an estate which entails no expense of administration. It provides an income that cannot be lost through speculation. The payments are in a form familiar to the beneficiary. Through the operation of the income plan, families of small children can be held together, children can be educated, old people made independent, and last but not least, mothers need not seek the workshop. The need for this form of protection has always existed, will always exist; and therefore, the growth of life insurance on the income plan will be enormous as the public becomes more familiar with it and its practicability.

Most Lump Sum Payments Gone Within 18 Months

One of the largest life companies advises that an investigation of its payments to beneficiaries of policy proceeds in lump sums, proves that 65 per cent of those funds disappear within 18 months. If this ratio holds true with other companies, then it is high time that both companies and agents seek to stimulate even more rapidly the growth of income insurance. Yes, I will go further—if the above figures are to be a guide, the companies should undertake a campaign through their agents to change the plan of settlement on most of the policies now in force.

The American life companies are now paying to policyholders and their beneficiaries over \$1,150,000,000 each year. I do not know what percentage of this sum is payable on the income plan, but I presume not over one-tenth, leaving a balance of about \$1,000,000,000 paid in lump sums. How much of this billion dollars paid last year is still in the hands of the beneficiaries? Allow your imagination to go back 10, 15 or 20 years and see what it would mean today if but 50 per cent of the vast sums paid had been paid to the beneficiaries on the income plan. Try to think what the result would be if all policies written by all the life companies, wherein individual beneficiaries were named, were being paid in installments instead of lump sums. What a wonderful benefit to the communities and the nation, and what a tribute to life insurance! How can this great

business of ours be given greater or better publicity? All press and newspaper advertising, now so strongly advocated, would be as nothing compared with what life insurance itself could do if properly sold—that is, sold on the income plan.

Would Create Larger Demand for Insurance

This great, steadily increasing group of boosting beneficiaries would create a larger demand for life insurance than could be created in any other manner, and this great business would even more rapidly come into its own; while on the other hand, I fear that when a lump sum of money is received by a beneficiary and lost, that at least a partial pessimist is created.

Income policies satisfy and make permanent friends. You never met a beneficiary receiving an income on a life insurance policy who forgot the name of the company.

I hope the day will come when the installment feature, now a part of every life insurance policy, is printed on the face of the policy rather than on the fourth page. Yes, I am expecting that some day in the not distant future, all policies in the sum of \$3,000 or more, wherein an individual beneficiary is named, will be made payable only on the income plan.

Income insurance is in its infancy. It is increasing more rapidly than any other plan yet devised and when the bulk of the life insurance policies is on that plan, then and then only, will the golden age of life insurance be reached.

Rapid Growth of Business Insurance

By MILTON L. WOODWARD

THE proper financing of every-day business requires many safeguards. One of the most important things in the conduct of business is insurance on the lives of those responsible for its successful administration. Indemnity covering the loss of key men has become so essential that the federal reserve banks now include in their credit blanks a question as to the amount of life insurance carried for the protection of concerns seeking financial accommodation. Bankers are on record everywhere with testimonials of the value of business life insurance, and why they are more willing to extend credit to a business protected against the loss of the men responsible for its success.

Insurance Written to Meet Business Needs

Business life insurance is life insurance written to meet business needs. Corporation life insurance, as we generally think of it, is life insurance in which the applicant is the corporation and beneficiary, and the insured is the directing brains of the corporation, the loss of whose life value would be a big detriment unless life insurance money was paid into the treasury of the corporation. The corporation owns the contract. It controls the contract while the insured lives, and it receives the proceeds when he dies. The values in the contract are owned by the corporation while the insured is living and the proceeds of the policy constitute a corporate asset when the insured dies. The proceeds of insurance payable to a corporate beneficiary are not taxable income. A few years ago, the difference between the face of the policy and the premiums paid up to date of death of the insured were treated as taxable income to the corporation.

Should Protect Against Loss of Important Men

If a corporation finds it good business to protect itself against loss by fire of its buildings and plants, against sprinkler leakage—if it protects its raw materials and has every other conceivable form of insurance to protect itself against loss of property—is it not good business—even better business—to pro-

tect itself against the loss of the important men in the organization? Charles M. Schwab says that, should all the buildings and plants of his huge steel industry be destroyed by fire, he would not consider it a total loss, for they all could be replaced in time; but, should he lose the personnel of his organization, he would consider himself a ruined man.

Ninety-five per cent of the worth of any business is its management. If the remaining 5 per cent is fully covered by every other form of insurance, there is no reason why at least a part of the 95 per cent should not be covered by life insurance. It is said that the risk of a business being ruined by the death of an important man is 900 times greater than the risk of loss by fire. Corporation life insurance is the only protection available against the loss of the corporation's most valuable asset—the directing brains of the corporation. In addition to the protection it affords, the annually increasing guaranteed cash reserve acts as a sort of silent partner that may be called on for cash in times of great emergency. Business insurance is sure to be demanded like fire insurance when we do our part—and our part is the education of business men to this important need.

Field for Service

Among Partnerships

The field for our services is much larger, and I believe our appeal can be made much stronger among partnerships and small close corporations where insurance is used as a means of liquidating a deceased partner's or stockholder's interest, thereby leaving the future control in the hands of the survivors; or where the proceeds of the insurance is to be distributed according to prearranged plans. While the greatest volume of business insurance placed during the last ten years has been with large corporations, the largest number of firms protected have been partnerships and small close corporations.

Business insurance is just in its infancy. Business men are more willing to talk about their business and those things that will safeguard it than they are to talk about personal insurance. They are waiting for, and will listen to, the well informed man. Failure awaits the underwriter who attempts to sell business insurance in a haphazard manner, as it does the man canvassing for personal insurance in this way. Preparation and carefully thought out proposals are necessary.

Little Fellow Needs

Business Insurance

It is said that 95 per cent of the firms failing in both good and bad years had little or no credit. About 3 per cent had good credit. The fact that over 90 per cent of those firms failing in good and bad years had less than \$5,000 capital leads us to the conclusion that the little fellow needs business insurance desperately. Too often do we think of the large corporation when thinking of where to go. The small concern needs our services more. Businesses are big or little, like men,

and the \$5,000 man should stick to the \$5,000 business policy, while the \$100,000 case man should be better able to handle the big business policy.

Business Mortality Like That of Individuals

Business mortality is large. It is about the same as the mortality of individuals at age 41. Few business men realize that the mortality is so high. It is said that 76 per cent of all businesses in this country are in a dangerous condition continually. Anything then, that will stimulate credit and provide "ever ready" emergency cash is of inestimable value. Business insurance is the answer. Bradstreet says: "It is practically beyond doubt that business insurance strengthens the credit of the firms adopting it. The increased confidence it establishes is recognized in the mercantile community and is thus reflected in our report. All our reports call particular attention to the presence of business insurance and reflect that condition in the subject's rating." Dun says: "Eighty per cent of business failures are due to change of management; and death of responsible men cause more changes of management than any other factor."

Business Life Values Should Be Protected

Business has gone on as usual in countless cases where the proceeds of business insurance has enabled the survivor to keep going. For many, many years the value of tangible property has been definitely recognized. Men can see and understand the value of a car, building, ship—all property values. A person also could understand just what loss would occur through the destruction of such property. Business life values are equally important, in fact more so, and there is no other way for their replacement than through life insurance.

The salesman who hopes to succeed in a big way in selling business insurance must understand business, must study it, and particularly the one he is trying to protect. This form of protection requires the skilled man to present it most effectively. A knowledge of finance, banking, economics, and kindred subjects will place you in a position where your appeal will be more interesting and gripping to the business man.

Improvement in Professional Ethics

By C. E. BLOSSER

ONCE upon a time, a man in business was suspicious of his competitors; every move that they made he interpreted as directed to thwart his efforts; he hated them. Once upon a time, nations envied each other, and their dealings with each other were wholly for the purpose of gain to themselves.

Then, once upon a time, a few agents in the life insurance business got together in a certain town and formed themselves into a life underwriters' association for the purpose of study-

THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

Published every Friday by THE NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati and New York. EDWARD J. WOHLGEMUTH, President; JOHN F. WOHLGEMUTH, Secretary; H. E. WRIGHT and NORA VINCENT PAUL, Vice-Presidents; WILLIAM A. SCANLON, Southwestern Manager; FRANK W. BLAND, GEORGE C. ROEDING and O. E. SCHWARTZ, Associate Managers.

C. M. CARTWRIGHT, Managing Editor
HOWARD J. BURRIDGE, Associate Editor
FRANK A. POST, Associate Editor
R. C. BUDLONG, Associate Editor

PUBLICATION OFFICE, Insurance Exchange, CHICAGO. Telephone Wabash 2784
CINCINNATI OFFICE, 420 E. Fourth St., Telephone Main 5781. RALPH E. RICHMAN, Manager. E. R. SMITH, Statistician. ABNER THORP, JR., Director Life Insurance Service Department.

NEW YORK OFFICE, 80 Maiden Lane, New York; Telephone John 1032

GEORGE A. WATSON, Associate Editor

NORTHWESTERN OFFICE: 307 Iowa National Bank Bldg., Des Moines, Iowa
Tel. Market 3957. J. M. DEMFSEY, Manager
PACIFIC COAST OFFICE—369 Pine St., San Francisco, Cal. Tel. Kearney 6013.
Insurance Publicity Bureau, Manager

Subscription Price, \$3.00 a year; in Canada, \$4.00 a year. Single Copies 15 cents
In combination with National Underwriter (Fire & Casualty) \$5.50 a year; Canada \$7.50

1st Day

ing their common problems. Today, all professions and all lines of business have their organizations, associations and clubs, where conferences are held for their mutual benefit and the benefit of their clients.

To my mind, the greatest contributing factor that has made this progress possible has been a most simple thing—acquaintance.

Upon approaching this subject, I did not go on the theory that 99 per cent of the sales we hear of rebating, twisting, misrepresenting, are mere hearsay, mere bugaboo. So, to test this theory, I prepared a questionnaire designed to learn: (1) Of cases of actual, personal experience; (2) how recent the experience, and (3) to give an opportunity to refer to cases based on suspicion alone. Besides rebating, twisting and misrepresenting, I also inquired as to treatment of brokers by the general agents of other companies than their own with whom they do business. Also, I inquired as to stealing agents.

Tabulation of Replies to Questionnaires

	General Agents	Agents	Total
Questionnaire mailed to selected lists, covering practically all of principal cities in U. S., about equally divided between agents and general agents.....			3000
Also correspondence with officials of companies, commissioners and superintendents of insurance and secretaries of National and local life underwriters' associations.			
Replies received.....	1302	218	1520
Rebating—Actual, personal knowledge. Recently (2 mos. to 1 year).....	18	4	22
"No knowledge of, or suspicion of a case of rebating for several years".....	490	72	562
Twisting—Actual, personal knowledge. Recently.....	23	3	26
Misrepresenting—Actual, personal knowledge. Recently.....	15	2	17
Stealing Agents—Actual, personal knowledge. Recently.....	22	..	22
Brokerage Business—Unfair Treatment on part of general agents of other companies with whom business is placed.....	1	..	1
("Case of misunderstanding.")			

All other comments under this heading were of the highest praise.

Rebating, Twisting, or Misrepresenting—"How recently have you had a case that gave you real concern?" Only eleven stated that cases had given them any real concern. Many others answered: "Forgot it long ago," "Never worried me," etc.

Conditions 1,000 Per Cent Better Than Years Ago

I believe that the conditions are 1,000 per cent better than they were years ago. There was a time when these evils were a bane to the life insurance man's existence. Before the Armstrong law, when many companies paid very high commissions, once a man was sold life insurance, he was afraid to buy for fear that he was not getting all that was coming to him in the way of a rebate. Such a condition cheapened the business, and it never could have attained the magnitude to which it has grown under such conditions. At that time, unless an agent was fully prepared to handle this rebate evil, he had little chance of writing much business.

I should like to say here that the replies I received conveyed a tone of

sincerity, of an attempt to tell only the truth, without exaggeration. I was really surprised to learn that there is as much violation of the law as there seems to be, but I think the result of this questionnaire bears out the belief that the proportion of men in the business who are willful violators of the law is insignificant.

Factors That Have Brought About Change

What has brought about this change? If we can analyze the causes, we shall know what we can do to make further improvement in professional ethics. As I said before, to my mind, the greatest single contributing factor that has brought about this change is "Acquaintance." Most people are willing to play fair if they know what is fair and their conscience has been kept properly tuned, but there are a few who must be made to play fair. So, we have legislation, education and acquaintance.

In a condition where rebating, twisting, and misrepresenting were the rule, and one saw business slipping away to competitors who were promising impossible dividends and giving away 50 to 100 per cent of the first premium, there was a strong temptation to compete on the same terms. A few companies were far-sighted enough to realize that competition on such terms could lead only to ultimate ruin, and were courageous enough to take a stand for sound business principles as to costs. The first step necessary was to stabilize the business as to expenses, the principle being that all policyholders should be treated alike. Every purchaser of life insurance should have the assurance that he, and every one else buying life insurance, must pay 100 cents on the dollar. Fortunately, the Armstrong law helped most materially to solve that problem. It practically solves it as to the maximum cost between companies, which was the root of this evil.

Moral Persuasion of Public Opinion

A very great deal has been done in the way of education. It is not necessary for me to go into that, but there are one or two things to which I should like to call attention. The point that I wish to direct your attention to is the influence, or the moral persuasion of publicity, or public opinion. For example, we have in Ohio a superintendent of insurance, who, when he came into office, let it be known that it was his full purpose to prosecute the law. He made a number of addresses to the different local life underwriters' associations, which addresses had front-page space in the local and other newspapers. I have had some correspondence with him in my attempt to get material for this report, and in one letter, under date of May 18, 1925, he writes: "We have been doing a great deal of building up of the agency forces, but not so much in life insurance because the law has not been sufficient authority heretofore. The new law will give us added power."

Not long ago, much publicity was given to activities of the Chicago Life Underwriters' Association, which resulted, I understand, in practically correcting the evils there. We have been reading about the doings of the Boston association. That association has let it be known that they mean business, and I have no doubt they will accomplish their purpose.

Good Will Best Antidote for Unfair Competition

What I mean by "acquaintance" is very beautifully expressed by Clinton F. Criswell, until recently secretary of the Cleveland association. He writes me: "The simplest suggestion for improving ethics is to build up the local life underwriters' association through a constructive program of practical service. The resulting good will is the best antidote for unfair competition. Agents who have learned to respect one another will generally be fair, and the association is the logical meeting

place."

It is significant that in all the replies to the questionnaire that I received from Cleveland, there are such expressions as, "We have no troubles of this kind here"; "Everybody in the life insurance business here is fine," etc.

Suggestions Offered for Improving Ethics

In the questionnaire, I asked for suggestions as to how professional ethics might be further improved. The plan presented by the greatest number of replies is: "Get the general agents of all the companies to pledge themselves not to contract with a new man, unless, at the same time, he makes application for membership in the local life underwriters' association."

Some of the other suggestions are: "Get home offices to fire general agents who persist in contracting with misfits." "Get rid of spotters." "Get rid of one-case agents." "Require examination before license is granted." "Paid secretaries." "A more cooperative attitude on the part of companies," etc.

So far as I could learn, all of the companies have a question in their applications to learn whether the policy applied for is to replace one in another company. If the question is answered in the affirmative, the other company is notified before the policy is issued. I do not see how the cooperative attitude of the companies could be much improved.

Of course, we are not satisfied with conditions. We can never hope to have perfect conditions any more than we can hope to have perfect people. The ideal is the goal we strive for, but it is not for us to say when the task is finished. It is not a job that takes but a day. We go forward a step at a time, but we go forward.

Hospital Endowment Campaign Described

J. E. Williams of Seattle, Wash., related at the opening session the details of the hospital endowment campaign that was carried on in Seattle last winter and which resulted in the raising by the life insurance men of Seattle a considerable sum of money for one of the city's prominent hospitals. Mr. Williams said that the hospital asked the life underwriters of the city to raise \$750,000. In order to be sure of reaching the mark the life insurance men decided to set their goal at \$1,000,000. For three months the methods employed in similar campaigns in other cities were studied. Then a publicity campaign was launched which told all about the hospital and its needs for funds. A citizens' committee was next named so that the life insurance men could be certain of the active cooperation of the principal business interests of Seattle. The citizens committee raised a fund of \$6,000 which it turned over to the life insurance men in charge of the campaign.

Radio and Newspaper Publicity Employed

Before any life man was permitted to get into the work he was required to visit the hospital so as to be made familiar with it. The actual campaign lasted 20 days. Each morning there was a meeting of all of the life insurance men in the work and addresses were given by prominent citizens. These talks were broadcast on the radio and this radio publicity together with the newspaper and general publicity made selling much easier than it might otherwise have been. Only 20-year endowment policies were sold. The final results of the campaign were \$980,000 of new 20-year endowment policies, the assignment of \$400,000 of other policies, and \$250,000 of bequests and trust gifts. In addition the life insurance men raised \$33,000 in cash.

Clark Would Cover All

Members of College Class

Paul F. Clark of Boston, who has had some experience in college endow-

ment life insurance, said that he has found that all of the members of a class, and not just a select few, should be insured for the same amount. This democratic idea, Mr. Clark said, would get more business in the end than the selection for insurance of only a few of the leading members of a class. Mr. Clark said that the individual is usually insured for \$250 each and that the first year's premium should always be secured from every man covered. He stated that the collections must be watched very closely for the first two years after graduation, and that if the business can be held on the books for the first two years it is rather likely to remain in force indefinitely.

To Increase Attendance

(Continued from Page 10)

convention of the companies' sales forces.

Yields Big Dividend on Time and Money

The national convention of life underwriters, in my opinion, yields a bigger dividend for the time and money invested than any other investment which a life underwriter can make in our profession, and it is truly unfortunate that the inspiration and help which we receive here is not more widely disseminated to the local associations and the various agencies and company representatives invited to our membership.

Can't we strike for at least a 75 per cent local association representation next year?

Our convention is as important as that of any other professional or trade organization and if we will adopt some plan to increase this representation in the coming year the 1926 convention will be the best and biggest we have ever had.

Philadelphia is Chosen

(Continued from Page 1)

to sectionalism, and that it might result in conflicting action at meetings held in different sections, with an entirely different body of committee members in attendance. It was finally decided that the matter should be referred to the board of trustees, to report at the mid-year meeting of the executive committee, which will therefore be held again, at least for this year, as heretofore.

Committee in Session Practically All Day

The committee held practically an all-day session, starting at 10 a. m., resuming its session at 2 p. m. after an adjournment for lunch and continuing in session until 5:50 p. m. Still another meeting of the committee will be held Friday afternoon, after the final adjournment of the convention. The attendance was rather larger than usual. In the absence of the secretary of the association, George D. Alder of Salt Lake City, who is just recovering from a severe case of nervous prostration, Harry C. McNamer of the Equitable Life of New York in Chicago was selected as secretary pro tem.

Vice-President George E. Lackey of Oklahoma City in his report discussed very largely local conditions, telling of the work he had done among the associations in the southwest. The report of First Vice-President John H. Russell of Los Angeles was also rather local in character, dealing with conditions on the Pacific Coast, where quite a few local associations have been organized in the past year. He also spoke of the fact that the Los Angeles association now has a full-time paid secretary.

Paul E. Clark, second vice-president, especially emphasized the necessity for increased attendance at executive committee meetings. He said that the at-

Chancellor Lindley Tells of Educational Needs of Nation

FRANK L. JONES, of the Equitable of New York at Indianapolis, was the chairman of the opening sessions having its theme "Life Insurance to Help Education." As a background for the other speakers, Ernest H. Lindley, chancellor of the University of Kansas, sketched the educational needs of the country in a very general way. Chancellor Lindley is himself a former Indiana man, having served as professor of philosophy and education in Indiana University and later as president of the University of Idaho before going to the University of Kansas. He said:

Wonderful Effort To Control Future

I remember two years ago at the annual meeting of life insurance presidents in New York asking President Duffield of the Prudential, who happened to be next to me, how much insurance was represented in that room in the Hotel Astor. "Well," he said, "I think about \$55,000,000,000."

I said, "That is a wonderful thing, a wonderful effort to control the future,"



ERNEST H. LINDLEY
Chancellor University of Kansas

and I know of no other thing in the world comparable to it but one, namely, the great stupendous organization of public education all over the world, but chiefly in America and Europe, designed to do precisely the same thing to win control over the future.

A wonderful thing, it was to me, as he spoke of those vast sums taken out of the earnings of the past and present, to guarantee the values of civilization, for dear ones. What are those values? Security is certainly one. Civilization stands over against savagery in its security, security of property, and in a measure, at least, in this country just now, security of life, security and wealth. Wealth means power over men. It means the resources by which you may do the thing you wish to do. It means tools that enlarge your wealth. That is what wealth means, and security and wealth in their best estate yield the finest thing that can come to human be-

ings, namely opportunity, variety of opportunity to fit the individual need.

Contribute to Supreme Value of Civilization

And, so, when you induce a father of a family to take out an insurance policy you are making a contribution to the supreme values of civilization, the terms of security, and wealth, and variety of opportunity for his children. And that is precisely what we are doing in education. We are trying to discover the future, and to preserve those resources that will enable us to shape that future in terms of human need and human standing.

There is one very important difference between education and insurance. Education is concerned not merely with getting the knowledge that gives control of tomorrow, but it is also concerned with the discovery of better standards of life that should prevail tomorrow, and I think you all grant that is one of the supreme functions.

The business of education is primarily to give us a standard for the expenditure of our resources in the future.

Recognize Supreme School of Experience

When I speak of education, I am referring chiefly to formal education, such as you have in your own cities, the public schools, the colleges, the universities, organized education, but I would like you to know that we who are engaged in organized education recognize the supreme great school of experience. The great university is the university of hard knocks. Across the centuries, the best educated men have been the men educated in the great school of experience.

I hear a great deal of distinction made between self-educated men, the self-made man and the college man. There is not any difference. The very men who won out in college are the men who would have won out in the university of life, only they are winning out far more effectively. All the university does is to present opportunity at the golden moment, and the man has to win his education in the colleges just as truly as he wins it outside of the college.

We know the universities cannot train a man in medicine completely; he must go out and practice, or serve a year or two in a hospital. Our schools of business do not pretend to completely fit a man for the great school of experience in business. He has got to become a freshman in the world of business, but what we can do is to shorten his apprenticeship and improve it.

Can't Compete with Machines If You Don't Think

The self-made man is going to have a pretty hard row in the next generation. This world is being made over; it is a man-made world, that is to say science and industry, machinery, electricity and radio, to say nothing of speed. We are surrounded by a world that is made by machinery and determined by modern engineering. This thing we must secure and insure—that our children shall have enough education to meet the changed conditions that come to the new industrial forms of life.

If your son and daughter wishes to win out in the competition, he has to have a good deal more education than his grandfather had. Organized education helps him to adjust himself to this marvelous changing world, transformed as it is constantly by science.

In the conception of public education

Clegg Tells of Experience in Insuring Graduating Classes

PRESIDENT J. W. CLEGG, of the National Association, told, following the address of J. E. Kavanagh, of some of his actual experiences in insuring students for the benefit of their colleges. He said:

Several years ago it was my privilege to arrange for two classes of a university an endowment fund at the anniversary of the 20th graduation. This was arranged on a sort of a cooperative basis. Shares were issued and the class members subscribed to as many shares as they wanted or as they could afford. Those who came from wealthy families could take as many shares as they wanted. Those who were poorer could, at least, take one share, which was determined by the class, anywhere from \$5, \$7.50 to \$10. In that way the 200 members of the class arranged enough money to provide for the endowment.

Trust Company Agrees to Collect

It may be interesting to you to know that this plan was issued on a 20-year endowment basis, but was not issued under a 20-year endowment contract issued by the various companies. An agreement was entered into by a trust company to collect the endowment premium. Under the trust agreement the trust company was to pay over to the life company an amount sufficient to pay the premium on the whole life insurance and improve the difference between the life premium and endow-

ment at compound interest. The result was that only one of three things could happen to individuals or to the class as a whole. They were going to live, they were going to die, or they were going to discontinue, and under the plan, arranged, whether they died or whether they lived, or whether they discontinued, the amount available for the class was greater under separation of the university from the protection feature than it was by combining those two features.

In this country there is the aspiration to teach every man to think through creative imagination to do the human task. The iron law is that you can't compete with machines if you don't think. They can do everything better than you can, but think. So the great program of education is to release these creative energies, this problem solving which has given us all that is worth while in our civilization.

Public education does not do that successfully and completely. We know now from our studies that we inherit a vastly greater wealth of brain power than we ever use—perhaps only 10 or 20 per cent of the brain power of this generation gets into the brain at all.

The business of education then, theoretically, is to arouse these sleeping powers of men, these powers in our children.

Public Education Sees Leadership Is Needed

The system of public education sees that we need leadership, and there is not enough leadership discovered today in the world or America for the highly specialized kinds of leadership needed, and we must seek through all the levels of population so we may open a path that gifted boy or girl for everything that civilization has achieved. We do that in our own interest because society can go on paying these taxes which represent today for public education only 1 1/2 per cent, for public education must pay more. Your trained man earns more but he gives more to society in proportion to what he earns than the untrained man, so society has its stake in selfish wealth production in subsidizing education.

Society says that its system of public schools and universities for every boy and girl of ambition is saying, "Come thou up here. Here is the hand that lifts you up and the hand that leads you up."

God bless this great program of the life underwriters to help the fathers of these children find a way for these great values of civilization for themselves and for others in the next generation.

QUESTION: How many lives were insured by Mr. Clegg?

PRESIDENT CLEGG: In one class about 35, and in the other about 30.

QUESTION: How many were delinquent?

PRESIDENT CLEGG: Unfortunately we couldn't give them a group contract because there was an element of selection. The companies would not issue a group contract. It may be of interest to us to know, following what Mr. Gravengaard said, that out of the 35 students in the university examined, four of them were delinquent. That is



CHARLES L. SCOTT, Kansas City
Chairman Reception Committee

a pretty high percentage. The insurance had been kept in force, and it is so resilient I could talk for hours on it. At the end of 20 years, these boys don't have to surrender their insurance. They can pay over the cash value to the class, the cash value of the life contract, together with the cash value of the investment feature, amounting to more than the principal of an endowment contract at the end of 20 years.

Great Opportunity for Development Business

The 35 were selected by the class. They were examined, and, as I told the class, from an insurance standpoint it would be infinitely better for their result to have everybody insured even at the rate of \$250 a person. But in one of these classes two have died. One died away out west. One living in the west died away in the east, and it was some time before the settlement could be effected, but it was effected and very satisfactorily.

I believe there is great opportunity for the development of this class of business. As in all of our work, we have to put brain and gray matter into our efforts.

Committee on Legislation Makes Report as to New Laws of Year

By HENRY J. POWELL

THE report of the law and legislative committee on legislation for this year covers the activities of 42 state legislatures and Congress, this being an odd numbered or "on" legislative year when sessions were held in practically all of the states. As usual, numerous bills relating to life insurance were introduced, amounting this year to about 2,000 out of a total of 49,000 bills on all subjects introduced. As is always the case in legislative seasons the local underwriters in the various states through their committees on legislation and through their influential members were on the job cooperating with other life insurance organizations in the interests of the policyholders.

Of the new life insurance proposals this year, which in substance covered the usual wide range of subjects, about 100 became law. This year's new enactments were largely favorable to the welfare of the policyholders, consisting chiefly of amendatory laws, correcting and clarifying the existing statutes; laws contributing to uniformity, and new enactments on special life insurance subjects benefiting the business.

Specific Enactments in Various States

In West Virginia the resident agents' law was amended to exclude life agents. The Idaho resident agents' law which is based on the retaliatory principle was amended to permit the licensing as special agents of residents of such other states as cannot secure the usual local license, the local Idaho agents to receive the commissions. A new Wyoming law extends the residence requirement to life agents and permits non-residents to be licensed as special agents with commissions going to local agents and permits non-resident brokers to be licensed. An Ohio bill originally providing for the extension of the residence requirement to life agents was amended before its passage, eliminating this provision and leaving the present reciprocal law in effect. A non-resident agents' license law on the reciprocal basis which passed the North Dakota legislature was vetoed by the governor.

New agency qualification bills were enacted in Florida, Ohio, Tennessee and Wyoming. In Kansas a bill following the Donaldson plan was introduced but failed to become a law. A bill relating to agents' qualifications also was introduced in Massachusetts but was rejected.

Changes to Aid in Protecting Beneficiaries

In Indiana an old law which for some time has been causing inconvenience to life insurance agents and policyholders was amended permitting the insured to make an irrevocable designation of beneficiary.

The protection of life insurance policy proceeds in the hands of beneficiaries from claims of creditors, which is a subject of increasing interest to life insurance solicitors, was the object of new laws enacted in Colorado, Indiana and Tennessee. Similar laws are already on the statute books in a number of other states.

Bills providing for relief from the requirements of medical examination appeared in increasing numbers this year. In Indiana the medical examination requirement was entirely eliminated. In North Carolina and Oklahoma the medical examination requirement was eliminated as to policies of \$2,000 or less.

In Kansas the old premium notice law, which for a number of years has been a source of annoyance to the companies, was amended, eliminating the second 30 days period of grace.

In order to meet a situation resulting from a recent decision of the Minnesota Supreme Court a new law was enacted in the state expressly permitting the use of extension agreements or "Blue Notes," which provide for the lapsation of the policy upon the non-payment of the note.

The compulsory investment of life insurance reserves, such as is now required in Texas only, was the subject of proposals in seven states this year, none of which was enacted. A bill introduced in the Texas legislature to repeal the compulsory investment feature was defeated.

Complete new insurance codes, revising and clarifying existing insurance statutes were introduced in a number of states this year but New Mexico was the only state which finally enacted such a code. This bill as originally drawn prohibited the use of dividend illustrations. This objectionable feature was eliminated, however, by amendment before passage. New insurance code bills were introduced but failed of passage in Illinois, Wisconsin and District of Columbia.

Increased Taxation Up in Many Legislatures

As usual when the revenues of the various states need replenishing, and this seems to be a perennial if not constant condition, the subject of increased taxation was again before legislatures, with the result that numerous bills to increase the rate of insurance premium taxes were introduced. In connection with these proposals the efforts of the local underwriters in the various states were especially valuable in preventing additional taxation burdens from being imposed upon the policyholders, who, of course, must eventually bear all increases in life insurance taxes. Among the states which proposed large increases in premium taxes were: Arizona, Georgia, Oregon, South Carolina and West Virginia. As a result of the active and efficient cooperation of the local agents with representatives of other life insurance organizations no increased premium tax bills became law this year which marks the first "on" legislative season in many years in which there was no increase made.

Income Tax Measures Up in Several States

Income tax bills were also introduced in a number of states this year but all were amended to protect the interests of life insurance policyholders, or failed of passage due to opposition to the principle of such laws generally. The Iowa bill on this subject which exempted insurance companies, was amended to exclude the proceeds of life insurance and policyholders dividends from taxable income. This bill failed to become law. In Ohio a personal income tax bill which properly exempted the proceeds of life insurance and policyholders dividends made no progress. In North Carolina the old income tax law which allowed life insurance companies to deduct the income tax paid from the premium tax was amended to expressly exempt life insurance companies which pay the premium tax. Other states in which income tax bills were introduced but failed of passage were California, North Dakota and Oklahoma.

A Colorado bill providing expressly for the disallowance of the deduction of dividends in the computation of the premium tax made no progress.

Bills amending the contingency reserve requirements for life insurance companies, bringing the law up-to-date and into conformity with New York provisions on this subject were enacted

GREETINGS to Underwriters

In the great work to which we are all committed, the Grizzard System joins in a re-dedication to ideals and purposes advanced by the underwriters assembled at Kansas City.

That success may crown all efforts to make the institution of Old Line Legal Reserve Life Insurance even greater, nobler and more widespread than any accomplishments of the past is our sincere wish.

The Grizzard System during its seven years existence HAVE NOT, DOES NOT NOW, and WILL NOT proselyte the Underwriters of other organizations.



Chicago, Detroit, Cleveland, Columbus and Principal Cities

GRIZZARD SYSTEM OF AMERICA, Incorporated
Executive Offices, Illinois Merchants Bank Bldg.

CHICAGO

in Minnesota, Montana, North Dakota and Tennessee.

Bills Covering Uniform Incontestable Clause

Bills providing for the uniform incontestable clause endorsed by the National Convention of Insurance Commissioners were introduced in 13 states and included in the code bills in two other states. These proposals became law in seven states, Idaho, Minnesota, Nebraska, New Hampshire, New Mexico, Oregon and South Dakota. In New Jersey and Pennsylvania bills were introduced to make the present incontestable clause provision uniform with the commissioners' bill. The New Jersey bill became law but the Pennsylvania proposal was vetoed by the governor. In Indiana the incontestable clause provision was amended to conform with the commissioners' bill so far as to require the incontestable period to run during the lifetime of the insured. In Illinois a bill was introduced to amend the present incontestable clause provision which is in conformity with the commissioners' uniform bill, by eliminating the "during the lifetime of the insured" provision. The bill made no progress. In North Carolina a bill modeled after the commissioners' uniform bill but with the incontestable period reduced to one year was defeated.

Method of Valuing Life Insurance Securities

The commissioners' uniform bill regarding the amortization method of valuing life insurance securities was enacted in Arkansas, Delaware and New Mexico. A new law in Colorado also provides for the amortization plan of valuation although it does not follow the wording of the uniform bill endorsed by the insurance commissioners.

Laws were enacted in a number of the states making minor amendments to the insurance laws on the following subjects: Annual statements, company examinations, deposits, fees, investments, policy provisions and reinsurance.

In Arkansas this year's legislature consolidated the insurance department with the revenue and taxation department.

Objectionable Proposals Beaten in Many States

Among the proposals introduced in the various states this year, which were objectionable from the standpoint of life insurance, none of which became law, were the following: Regulation of premium rates in Arkansas; additional 30 days grace period in North Carolina; imposing liability on policyholders for dividends received in case of company insolvency in Colorado; funeral expenses charged against life insurance

Important Recommendations Are Made in Report by W. A. Searle

THE report of William A. Searle, assistant to the president, a newly created office during the past year, was submitted to the executive committee at its meeting Monday. Mr. Searle told of his visit to local associations in various parts of the country, which had been made with a view of working out with the local officers steps that would strengthen the local organizations. An analysis of 46 of the associations visited by Mr. Searle was presented, showing the specific needs which he found. He summarized as the general needs among local associations:

Makes Several Recommendations

1. Wider membership interest and participation in activities and more democracy.
2. More businesslike attitude and procedure.
3. Larger vision and more ambition for the local association.
4. Less apathy and satisfaction with present accomplishments.
5. Closer contact with the National Association.
6. More adequate financing of local association.
7. Better planning of work and some budgetary control of finances.

Important Suggestions Included in Report

A number of suggestions were included in the report, as having made either by members in the field, or in-

cluded at the request of President Clegg, Chairman Wells or some other trustee. The first one dealt with the transfer of local membership. At present the life underwriter in a new location is obliged to start in as if never previously affiliated with the organization. The suggestion made is that the National Association shall furnish transfer cards to be filled out by the local association and given to the removing member.

Question of Eligibility of Certain Companies

The by-laws of the National Association are broadly drawn so as to admit as members underwriters holding contracts with any legal reserve life company. In practice, however, some local associations have drawn a distinction against newer or poorly organized legal reserve companies until they should have proven themselves. There has been no uniformity in this respect, representatives of a certain company being accepted in one place and rejected in another. It was suggested that a committee study this matter, lay down principles by which to guide selections and prepare a list of eligible companies, to which new names can be added as companies meet with requirements of eligibility.

Managers' Units and State Associations Favored

Favorable recommendations were made in regard to the ideas of organizing general agents and managers in the various cities as a division of the local life underwriters' association and for the formation of state associations. The problem of the rural and scattered underwriters was taken up and it had been suggested by some of the trustees that an associate membership in state associations be set up to take care of this class.

The question of the standardization of dues and of new standard by-laws was discussed at some length. A set of by-laws, evolved from a study of those now in use and involving a number of important changes, was submitted for consideration.

Would Prepare Program for Year in Advance

The desirability of having a general program of work for the year determined in advance was strongly emphasized and it was suggested that a carefully selected committee, representative of various interests and localities, be named to prepare a list of possible projects, of predominant interest, and report this list formally to a later meeting of the executive committee before leaving Kansas City. From the suggestions submitted the executive committee could then intelligently draft a program of two or three major planks or projects. To this could be added, as a minor platform, some of the projects which were not yet ripe for major consideration.

Efforts were urged to take advantage of the opportunities for advancing the interests of life insurance through the United States Chamber of Commerce. The fire prevention activities of the United States Chamber were cited and it was suggested that a study be made of the feasibility of seeking to parallel in life insurance what is being done in fire insurance.

Program Outlined

Edward A. Woods of Pittsburgh, as chairman of the convention program committee, was in charge of the meeting held on Monday night to instruct speakers and session chairman on the convention plans. Mr. Woods explained the general purpose of the meeting, what was desired of the chairmen and discussion leaders in handling their sessions, and how the meeting generally was to be conducted. He explained

that last year the relation of life insurance to the trust companies was stressed, that this year the value of life insurance to education would be emphasized, and that it was the present intention to next year feature the importance of life insurance written for charitable or philanthropic purposes. For some time past the association has built its program around one central theme and Mr. Woods said that it is the intention to follow this plan in the future.

He stated that the program this year was especially heavy, which meant that all speakers would have to start and stop promptly on time. This pre-convention meeting always serves to get the finishing touches on the general formulated plans and is held principally for the purpose of oiling the machinery and insuring a smooth conduct of the meeting.

Financial Statement Called Disappointment

At the Los Angeles convention in 1925, officials of the National Association for the first time in its history decided to give the general membership some detailed report of the financial standing of that body. This report while lacking many important details was the fullest information that had ever been made public and it was read with much interest. This year the finances of the association, according to several members of the executive committee, are in such shape that it is not deemed desirable to make public anything but a summary of the figures, presented in such shape as to cause no alarm. The report is stated to be quite a disappointment although a trifle better than a year ago, but the executive committee members were not enthusiastic over the showing.

Statement Given Out by Treasurer Jones

"For the first time in our history this report covers an exact period of twelve months from July 1, 1924 to June 30, 1925, and from now on it is the purpose to have all reports cover this same months' period so that comparison may be made from year to year.

"Our bank balance on June 30 last showed an increase of over \$4,000 over that of a year ago.

"We have succeeded in retiring all bank loans and established a capital account in two savings banks of \$10,000 so that instead of paying out \$500 in interest, we are receiving \$500 from our savings bank deposits.

"In 1925 our receipts were little over \$81,000 or about \$10,000 less than the receipts of the previous year. This is accounted for by the fact that we had no income from our special contribution fund which gave us some \$9,000 in the previous year.

"Our income from advertising has increased very materially and our income from cash sales is about the same as in the previous year.

Saved \$3,000 By New Contract

"Under the head of expenditures we have saved some \$3,000 by a very favorable printing contract, but the paper account shows quite an increase in cost. Our rent has increased, owing to the demand for more space. The expense for rent is slightly below current market cost for offices of this character.

"From now until the end of the year our bank balance will undoubtedly decrease, because our outgo will be steady and normal and our income will drop off.

"It will be necessary for us to find some material increase in income in order that we may meet the expense incurred on account of our president's assistant and his office and traveling expenses."

The importance of the reference to the expense of the traveling secretary will be understood when it is known that the salary of this official, according to reliable reports, is \$6,000 per annum and his traveling and office expenses \$6,000 more.

The Central Life Insurance Co.

FORT SCOTT, KANSAS

INSURANCE
IN FORCE

\$15,000,000.00



ASSETS
OVER

\$2,000,000.00

Oldest Kansas Company

Excellent Agency Opportunities
in

KANSAS - MISSOURI - ARKANSAS

Committee Report on Relations With Other Organizations

By JONATHAN K. VOSHELL, Chairman

As chairman of the sectional meetings for members of the executive committee, there was little or no activity, because of the belief of the members of the committee that it was unwise to hold such gatherings, and made a report at the mid-year meeting respecting this matter, so that it seems unnecessary to extend the report further.

With reference to the committee on relations with other organizations: Shortly after my reappointment as chairman of this committee last year, and after the members of the committee were selected, I communicated with each personally, asking them to submit reports during the year of activities of various organizations in localities in which they were located, and received replies from most all of them, but have

The National Credit Association, particularly the trust department, has been very active in the presentation of life insurance and trust estates in their organization, cooperating with representatives of the National Association in publicity work with lectures delivered in various parts of the country and moving picture slides used in showing the advantages of life insurance and its cooperation with trust companies.

By far the distinctive advantage of life insurance aside from the trust company activity, is that of our association with the Chamber of Commerce of the United States. As you know this is an organization of 1376 trade bodies, with an underlying membership of 767,000 corporations, firms and individuals, with an associate membership of over 9000 and an individual association of over 7000.

National Chamber Has Potent Influence

There is no doubt but that the chamber has the most potent influence in the stabilizing of every phase of commercial activity that there is in force today. As our organization is well aware, a department of insurance is now under the direction of James L. Madden, a thorough and competent insurance man, and his work is a credit to the National Underwriters' Association, which had much to do with his appointment through its national councillor. Life insurance is now represented in the department of insurance of the chamber by some of the best men in the business, representing the home office and field. Three men of prominence sit on the advisory committee; namely, Haley Fiske, Walton L. Crocker, Edward A. Woods. The activity and advice of the men in the department of insurance has had a great deal to do with advancing the interest of life insurance throughout the United States, and the reaction of this work through the chamber and our law legislative committee has had a great effect in revamping some of the national laws which were objectionable and stabilizing the whole structure of life insurance finance.

It is undoubtedly a fact that sooner or later life insurance will have a director on the board of managers of the national chamber. In this connection, a candidate in the person of Walton L. Crocker, president of the John Hancock Mutual Life, was nominated and was voted for at the last annual meeting of the chamber. That he would have opposition those of us who were actively engaged in his campaign thoroughly understood, but that opposition appeared in one or two ways which were unexpected, and while he received a very large vote, the number was not sufficient to elect him over his opponent.

Having been instrumental in the nomination of Mr. Crocker, I was personally concerned regarding his election, and with a sufficient number of votes guaranteed on the first ballot and with the support of all of the insurance interests, I felt there was more than a reasonable chance for his election. There were, however, some difficulties introduced into the situation by persons who I am sure were not familiar with just what we were doing regarding the organization behind Mr. Crocker, and it was effective, and the result was that a nominating speech which was to have been made by Winslow Russell was entirely cut off owing to a resolution which had been passed upon at an earlier session permitting but two nominating speeches.

It was very gratifying to know that our candidate has hosts of friends all over the country, and particularly so in the middle and northwest, as well

as in his own section, New England. I have no hesitancy in saying that if Mr. Crocker consents to run for the directorship next year, his election will undoubtedly be overwhelming.

Delay Under Wills; None in Insurance Bequests

At the pre-convention meeting held Monday evening to instruct speakers and session chairmen on convention plans, Edward A. Woods of Pittsburgh, manager of the Equitable Life of New York, told in a very striking and impressive way of the failure of the beneficiaries of the Frick estate to receive the money bequeathed them under the Frick will. Mr. Woods said that state and federal inheritance taxes have taken the bulk of the good securities, with the result that there remains, for the charitable institutions so generously remembered in the Frick will, only the slow "frozen" securities.

Mr. Woods explained that he is on the board of directors of several of the institutions named in the Frick will and is hence in a position to know that at least several of these institutions will never receive as much as they expected. The frozen securities are being placed in a trust and the institutions that are beneficiaries under the will are each being asked to accept proportionately less than was stipulated in the will. They, of course, can do nothing else.

Strong Contrast with Life Insurance Bequests

As a contrast Mr. Woods told of being in Baltimore last Christmas Day, where he was stopping at the same hotel with a wealthy Pittsburgh merchant. The merchant died suddenly and it was later learned that by means of life insurance he had left \$50,000 to a hospital and \$25,000 to another charitable institution. This money was, of course paid at once but several other bequests left by the same merchant in his will in all probability will not be for some time.

Mr. Woods said that the slow process of law that has to be followed in the probating and carrying out of wills is in striking contrast to the prompt payments made by the life companies. Mr. Woods said that it would pay any life insurance man to follow closely the steps taken in the executing of any large will, because such a study would show clearly what a long time is consumed and how many months and frequently years beneficiaries have to wait, whereas life insurance gets the money into the hands of the beneficiaries within a few days after death.

Boost G. E. Lackey

A very strong sentiment developed among the early convention arrivals in favor of George E. Lackey, general agent of the Massachusetts Mutual Life at Oklahoma City, for the presidency of the association for the coming year. Mr. Lackey does not want the job and says he could not afford to make the financial sacrifices which its acceptance would involve, but his admirers insist that he is decidedly the man for the place. There is an unusually strong delegation on hand from both Oklahoma and Texas, all whooping it up for Lackey and the Kansas City contingent is also favorable to him, since its own candidate, Charles L. Scott, announced positively that he would not allow his name to be considered.

Mr. Lackey is now the senior vice-president of the National Association, having held that position for two years. He was called upon to preside at the Los Angeles convention last year when President Graham C. Wells was unable to be present on account of illness, and made a very favorable impression on all those who attended that convention. He has been a very earnest and consistent worker on behalf of the National Association and has done much to increase its membership in the southwest.

To Extend Activities

E. J. Clark of Baltimore, chairman of the publications committee, submitted his report, giving the details of the association's activities in the publishing field. Mr. Clark explained that during the coming year it is the intention of the association to expand its publication and educational work. The National Association will be in a position to cooperate more closely with local associations and Y. M. C. A.s having life insurance courses, so far as the furnishing of life insurance textbooks and other educational material is concerned. It was evident from Mr. Clark's report that the National Association will enlarge and broaden its life insurance publishing activities considerably, if the present plans are carried out.

The submission of this report was one of the first things that brought to the attention of association members the passing from its ranks of Charles Jerome Edwards, who had acted as chairman of that committee and submitted its report for some 17 or 18 years.

The reports on the financial end of the publications department showed that it had run about the same as last year, but that the "Association News," because of the increase in its advertising rates, was able to make a very satisfactory showing, and had declared a dividend of \$5,000 to the National Association.

Reports Submitted

The reports of the committee on law and legislation, of which Henry J. Powell of Louisville is chairman; committee on salesmanship, J. B. Duryea of San Francisco, chairman; standardization of dues, E. B. Hamlin of Cleveland, chairman; cooperation with trust companies, Edward A. Woods of Pittsburgh, chairman; relations with other organizations, J. K. Voshell of Baltimore, chairman (read by Secretary McNamer in Mr. Voshell's absence), and educational standards, J. Stanley Edwards of Denver, chairman, were all presented. Mr. Edwards emphasized the necessity for care in giving approval to various sales courses, and mentioned several which are of the standard type. Guy McLaughlin of Houston, Tex., chairman of the committee on agency nomenclature, in his report indicated progress, but asked to be relieved from the chairmanship of the committee in favor of someone in a more central location.

K. C. Wins Trophy

The Charles Jerome Edwards trophy for increase in membership was awarded this year to the Kansas City association. In order to give all associations, both large and small, an equal opportunity in this competition, it is based one-half on percentage of increase and one-half on actual numerical increase. On this basis the associations ranking next in order were Scranton, Pa.; Terre Haute, Ind.; Jackson, Miss.; Seattle, Wash.; Yakima, Wash., and Birmingham, Ala. Seattle showed the largest number of new members received during the year, 250, and Kansas City stood second in that respect with 210.

The annual report of Executive Secretary Everett M. Ensign showed that the total membership of the association is now 13,490, a gain of 465 for the year. There are now 160 local associations, a net gain of six. Of these 77 reported gains in membership and 84 reported losses, including those that disbanded. Several associations were dropped during the year for non-payment of dues including Eau Claire, Wis., Fort Smith, Ark., Huntington, W. Va., New Mexico, port News, Texarkana and Twin Falls. New associations organized this year include those of Augusta, Ga., Beaumont, Tex., Bridgeport, Conn., Butler, Pa., Camden, N. J., Charleston, W. Va., Fresno, Calif., Gary, Ind., Greenville, S. C., Hartford, Conn., Long Beach, Calif., San Jose, Calif., Santa Barbara, Calif., Sedalia, Mo., and Zanesville, O.



HENRY CAMP HARRIS, Dallas

heard very little respecting any work done by them since the early part of the year.

John Newton Russell of Los Angeles favored me with some information regarding an association of women publicists, which it was thought would develop some interest among women of national reputation connected with the world's organizations of publicists. I had a communication from the secretary of the Los Angeles organization regarding the matter, but nothing further has come of it.

Corresponded With National Bodies

We have been in correspondence with the manager of the Life President's Association during the year and more or less activity resulted, all of which has been successful and cooperative. We are still cooperating with the Medical Director's Association, the General Solicitor's Association, the National Credit Men's Association, and the Chamber of Commerce of the United States.

"More Information for More Companies"

The Little Gem Life Chart

THE ORIGINAL VEST POCKET BOOK

Rates—Dividends—Net Cost
Policy Analysis—Values

100 COMPANIES

Five-Year Business
and Financial Report

250 COMPANIES

12,000 Increase in Orders in 1925—20,000 Increase in Two Years

REASONS

More Companies for Each State—Financial and Insurance Exhibit—IMPARTIAL
More Information for Each Company—Accurate, Simple, Early Delivery

Use the Chart That Gives—

100 LEADING COMPANIES

For any state the Little Gem covers more companies operating in the field than its nearest competitor. The 100 legal reserve companies shown are chosen because of their size and the territory covered. Every company is dealt with impartially and accurately, and more information is given concerning each one than is to be found in any similar vest pocket book.

FIVE YEAR FINANCIAL STATEMENT

Two hundred and fifty legal reserve companies operating in the United States are covered on twenty-two items for their business and financial condition for a period of five years. This is the only publication of this kind that gives the annual statements of all companies, thus saving the agent the expense of securing a special book containing the financial and insurance records of companies. This is the first publication of this information each year in book form.

EIGHT AGES OF DIVIDENDS AND NET COSTS

Four more ages of dividends and net costs are shown for all participating companies than is shown by any similar publication. This dividend information is given at five year ages, from 25 to 60, inclusive. Similar publications give this information only at 10 year ages.

SPECIAL NET COST PAGE

Agents have praised our method of showing total net costs and averages very highly, inasmuch as it gives them condensed information on both the "present dividend" scale and actual history on the same page for a ten-year as well as a fifteen-year illustration. This special net cost page has been a great success as comparisons are readily made.

TEN AND FIFTEEN YEAR ILLUSTRATIONS

Similar books give only a fifteen-year showing. The Little Gem gives both the ten and fifteen year showing on totals, net costs, premiums, dividends, cash values and averages. Net cost totals are shown both ways, with and without cash values deducted, and on basis of actual history as well as present scale.

Bound in real leather and printed on the finest grade of thin Bible paper obtainable.

RETAIL PRICE (Single Copies).....\$2.00

Take advantage of your company club offer. Order direct or through your general agency or home office.

THE NATIONAL UNDERWRITER COMPANY

420 East 4th Street, Cincinnati, Ohio

Use the Chart that Gives—

WELL-KNOWN SPECIAL POLICIES

Special showings are made on policies for which there is a special demand, such as the Metropolitan \$5,000 special, the Equitable convertible policy, the Phoenix Mutual 3½% policy, the Travelers premium reduction, Aetna and Prudential modified rates, and others.

RATES FOR MOST POLICIES

Rates are given for at least nine leading policies—more in many cases—including premiums on disability and double indemnity, with their various combinations. Industrial rates are also given.

AN ACCURATE POLICY ANALYSIS

For each company a page is devoted to the analysis of the policy forms. The policies are analyzed under the same points for each company, making it possible to look up quickly and accurately any facts needed, such as cash values, change of plan, disability, dividends, double indemnity, extended insurance, grace, incontestability, loans, nonforfeitable conditions, paid-up values, premium loans, reinstatement, restricted occupations, and many others.

THE IMPORTANT TABLES

Both the 3 and 3½% American experience tables and also the 4% Actuary tables are given. Tables giving rates of interest paid on proceeds of policies left with company, as well as ratios of actual to expected mortality for 120 companies.

CASH VALUES

Cash values are given at the end of 2nd or 3rd, 4th, 5th, 10th, 15th, and 20th years on ordinary life, 20 pay and 20 year endowment.

10-15 PAYMENT AND 10-15 ENDOWMENT DIVIDENDS

Dividends are given for 10 year on 10 and 15 pay life and 10 and 15 year endowments. Also, dividends, paid-up and term policies. Making the most complete dividend showing to be found in any vest pocket book.

EARLY DELIVERY

For the past four years, the Little Gem has been the first chart out showing the five-year financial and insurance exhibit of 250 companies. The first copies are out of the bindery by April 1st, and yet the Gem contains these special reports from 48 insurance departments; in addition to all new dividend and net cost schedules made up, totals for 10 and 15 years.

Oliver Thurman's Message on Opportunities, Responsibilities

OLIVER THURMAN, agency superintendent of the Mutual Benefit and chairman of the Life Agency Officers' Association was to have spoken on Wednesday evening on "Opportunities and Responsibilities." It was, however, decided to move him forward and he spoke, therefore, on Tuesday morning saying:

The Life Agency Officers' Association sends a messenger to congratulate the National Life Underwriters' Association on your great contributions toward the rebuilding of American life insurance. Your spirit of friendly cooperation is commendable, and we felicitate you upon the larger opportunities for useful service that will unfold with the further extension of the principles upon which this organization rests.

Your founders built more wisely than they knew. The association was organized primarily for protection against unscrupulous men and measures. The force created through that unity of purpose was soon directed toward more positive, constructive and profitable tasks. To enumerate your accomplishments is not my purpose; but to give full measure of praise as spokesman for an organization composed of the agency officials of your companies, is my pleasure.

High Rank Among Agencies for Betterment

The intrinsic worth of the institution of life insurance; its great beneficence; and its far reach into the economic fabric of individual, corporate and civic life, give it high rank among all agencies for the betterment of man. The public appreciation of its merits and the rapid extension of its usefulness is a direct result of the individual and organized effort of you, whom I address. Before the public, the agent has been the advocate and defender of the cause.

Back of our time, and leading up to it, there was a constructive force of militant idealism; a blend of the courage, initiative and tenacity of our pioneer forebears; a force useful and required to clear the underbrush of ignorance, doubt and religious intolerance. Some here can remember the early beginnings of the highways that have led into public confidence.

We now possess this heritage of public approval and are enriched by gathering the fruits of the labors of others. Our opportunities for service and personal profit are beyond the fondest dreams of our immediate predecessors.

Hedge Safeguards About Possessions

Shall we withhold appreciation of those who laid the foundation of our success? Shall smug complacency and indulgence of our inheritance blind us? Shall we be dull of perception or unmindful of the responsibilities of an heir? Let us pause and consider with what safeguards we may hedge about our possessions.

This public knowledge of the merits of insurance imparted by others; a knowledge expanded by the ever increasing evidence of its benefits; a knowledge dispensed by educational institutions; a doctrine expounded from pulpits; a plan suggested by financiers and economists; this knowledge is general knowledge. It is a possession common both to agent and prospect.

Our rich heritage of public appreciation contains elements inimical to the interest of the mere salesman of insurance, the ordertaker. Any individual or organization that stands merely as a taker of toll between a company, (composed of those who have pooled certain interests for mutual good), and a buyer, (who would share with them their obligations and benefits) has rights, if any

at all, more limited than those described in our agent's contract. The public will not and should not pay dearly for such visionless and stereotyped service.

Furthermore, the twister, who would wilfully destroy an established association between an individual and his company should be removed from the reach of personal profit.

Adds to Life Happiness As Medium of Thrift

But to you, to the real life underwriter, I sound no note of pessimism. I herald a greater opportunity. Thus I would stimulate you to a keener appreciation of the responsibilities of your calling. All praise and all power to him who can best use life insurance, this greatest of all economic conceptions, in the solution of the problems of life.

Life insurance adds to life's happiness as a great medium for thrift; the fulfillment of sacred obligations and realization of cherished hopes; an anchor for storms and a harbor for a journey's end; pillars for the support of enterprise when genius rests; a measure of time over which ability, if undisturbed, would collect its reward; a projection of values to supply future needs.

You can define life insurance in terms of its accomplishments, or name the needs which it fills. Can you inspire others to be thrifty? Can you urge with conviction the obligations that are sacred, and inspire others with hopes that will sweeten their lives and encourage them to strive? Can you make men better and happier by allaying fear? Can you strengthen enterprise and help genius express its worth? Can you encourage the youth to study, and men to grow and enhance the glory of achievement? Can you protect from fall a tottering enterprise or add strength to a strong one? Can you save for those deservng the values they should have?

Society Will Pay for Service Rendered

If you do this and more, you know life and serve it. The servant is worthy of his hire. We need have no concern about the manner of its payment. Society will continue to pay for service rendered.

I set no high standards. Only have I described the ability, the constructive work, the spirit of service and the loyalty to ideals of your leaders, the professional attainments of those whom we honor.

Opportunities—responsibilities, these two are inseparably one. Webster recognized this union in his memorial address on Adams and Jefferson.

Let me give you the setting: Adams and Jefferson, the literary producers of the Declaration of Independence, both signers of that great document, were each in turn vice-president and president of the United States. Though politically opposed they were life-long friends and lived to ripe old age. Both died on the same day—on the 4th of July—and on the 50th anniversary of the signing of the Declaration of Independence.

With such a setting for such an orator, his wonderful address graphically described the vicissitudes that confronted the founders of our nation in establishing our lands, securing our liberty and setting up the institution of government; and pictured the great and heroic part taken by those two and their contemporaries.

Generations Hold Us Responsible for Trust

From his concluding appeal to his hearers, I quote this brief paragraph: "This lovely land, this glorious liberty,

these benign institutions, the dear purchase of our fathers are ours; ours to enjoy, ours to preserve, ours to transmit. Generations past and generations to come hold us responsible for this sacred trust."

In this eloquent statement of facts relating to political life we find one privilege, ours to enjoy, and two sacred obligations, ours to preserve—ours to transmit. Likewise in individual life, privilege is inseparable from obligation. We have a right to enjoy the exercise of our abilities. Scripture commends him who makes most of his opportunity and condemns him who would hide his talent in a napkin. But to preserve and transmit the fruits of labor, is none the less binding on the individual than is the obligation to guard and strengthen the forces of government.

Ours is the glorious task of aiding others in the exercise of their skill, in the preservation of the fruits of their labor and transmitting of wealth for the accomplishment of useful purposes. This we undertake with consciousness of the righteousness of our cause.

Our birthright is public confidence; our pledge—service.

Good Progress Made in Standardizing of Dues

The report of the Committee on Standardization of Dues, presented by E. B. Hamlin, chairman, supplements the report made March 9, 1925. He said:

"It is not possible at this time to give concrete information with reference to all the accomplishments of the committee, but since that report was turned in a letter was addressed to every member of the National Association, setting forth the necessity of increasing the dues of members in local associations so as to make it possible for each local association to render such service to its members as would make the association sought by every man selling life insurance. Furthermore, it was apparent that a local association that was on the par with other business organizations in the community in its activities would be the very best advertising medium for local life underwriters that could be devised. With this in view continued effort has been made by addressing letters to the presidents and secretaries of all associations and to the companies urging co-operation to bring about the desired benefits.

Machinery Put in Motion Is Working Effectively

The machinery which has been put in motion is working effectively. When the idea of getting members to increase their dues was suggested it was thought by many to be a step against growth of the association movement and some discouraged the attempt but a careful analysis of the situation convinced the management that an increase in dues with an increase in service to members was fundamental to the future success of the association's work. Up to date many associations have increased their dues and others contemplate doing so, recognizing the fact that to make an association worth while it must have financial support in keeping with other trade organizations.

It was expected that such an increase would cause a temporary loss in membership but I am pleased to report that instead of loss we have an increase of nearly 500. We now have so many associations that are living examples of increased dues and increased service that the doubtful ones should not hesitate to act at once.

Full Time Secretary Idea Gaining Ground

Several associations have adopted the full-time secretary idea and others are considering it. In some instances associations are employing secretaries who are not life insurance men, but engaged in secretarial work, as part-time secretaries, and I am convinced that we are on the road to greater things, and that

the association movement is growing rapidly but will not reach its maximum efficiency until all members of associations see the necessity of paying to the local associations sufficient dues to make the body useful to the members and a factor in its community.

The success of this work to date has been due to the splendid cooperation of the National Association's officers and trustees, including Mr. Searle and Mr. Ensign, who have assisted in carrying out this work in a most efficient manner.

Committee Report on Educational Standards

The report of the committee on educational standards was submitted by J. Stanley Edwards, chairman. He said: "The past year has been one during which the idea pioneered by the National Association, namely, that successful underwriters must be trained men, has been more than ever emphasized. Company home offices are uni-



OLIVER THURMAN
Chairman Life Agency Officers' Association

versally awake to the desirability of employing trained men and of providing training courses for their agents already under contract. Such educational plans include correspondence courses, traveling field schools and home office training courses.

"Life insurance is becoming increasingly a business of specialties, requiring technical knowledge of wide scope outside of mere selling technique.

"Our colleges and universities recognize this and are increasingly providing the means for training of life underwriters. The schools of Denver University, University of Pittsburgh, New York University and others continue to furnish this service. Y. M. C. A. life insurance courses are well established in many cities. Literature on life insurance, once so meager, is now almost bewildering in its quantity. The demand for life insurance sales reading matter was never greater nor was the supply ever greater. There is no longer an excuse for any agent who wishes to know all about his business to go without that knowledge.

"In addition to courses of study on life insurance subjects as put out by our various schools and colleges it would seem in the view of the committee that the National Association could perform an additional service by establishing a department in the "Life Association News" where standard insurance publications could be reviewed so that agents everywhere could be informed of the content and purpose of life insurance publications and this service should include a review of all such worthwhile books wherever published."

Guaranteeing The Education of The Child By Insuring The Parent

THE first woman to address the convention was Miss Josephine B. Lincoln of Oklahoma City, who led the discussion on "Guaranteeing the Education of the Child by Insuring the Parent." She gave some of her own experiences and ideas. She said:

When you make arrangements to guarantee the education of a child by insuring the parent, you have done four big worthwhile things in life. First, you have given the boy or girl a wonderful opportunity. In fact, you have arranged for a heritage of \$72,000. Those were the latest figures of the United States bureau of education. You have helped the mother. You have helped her through the stressing years. She doesn't have to worry how the child will get its education. It is settled, and it is guaranteed. Third, every time you write an educational trust fund you have helped yourself. You have guaranteed the education of your own children.

The fourth thing you have done, and perhaps this is the biggest thing of all, because it is so far reaching, you have helped your country.

Average Length of Schooling Less Than Six Years

It is said that the average length of schooling in the United States today is less than six years. When you have raised that average, you have made this world a better place in which to live. You have done something that the Congress of the United States can't do. As has been said, by the general acceptance of educational insurance, you can prohibit child labor, and you can reduce the crime that is fostered by ignorance.

Let us look into these educational plans for a moment. How many of you know men who have \$2,000 or \$3,000 payable to the wife and then a nice educational fund of \$4,000 or \$5,000 payable to the boy when he reaches school age, or college age? That boy can't go to college until he has been through grade school and high school. That is the plan that leaves the income to the mother.

Income for Mother, Then Contract for Schooling

Personally, I like the idea of the income for the mother and then the contract that insures the education of the child from the grade school, then on through high school, then the educational trust fund.

I recall distinctly the first educational trust fund I wrote. I was a novice in the business. My client was a young lawyer. He owned a wife, a baby, but no insurance. I had the idea of service, so I talked to him on the various plans, but I failed to motivate that man until I talked to him about sending his boy to the Chicago University to get his degree in law as he had done. What do you suppose I did for that man? I wrote him an educational trust fund, college fund, on the 18-year endowment plan. Now, if anything happens to that father I don't know how that boy is going to get through the grades and high school. This family lives in Newark, N. J. Perhaps some of you New York underwriters can go over and arrange a minimum income for him, which would be a service.

General Practice Is Ordinary Life

It seems that in general practice the educational trust fund is arranged on the ordinary life plan by most insurance underwriters. This is done presumably because they realize that it is going to give the boy the college education if he lives and is going to put him through school. If not, the program is arranged on the minimum outlay.

The shorter term endowment plans are ideal but, generally speaking, they

are not quite so attractive because of the annual outlay.

I have just come from Dr. Lovelace's school of insurance salesmanship. He held that school in Oklahoma City this year. It was a wonderful inspiration to be there. We talked about educational insurance a great deal. I remember the approach that one of our instructors gave us, which was a common one. First you talk to the father about his boy. Then you talk about the education he is thinking of. Then you use this idea. "If I could show you a plan whereby you could send Jimmy through Harvard, you would be interested, wouldn't you?" There you have the curiosity appeal, and you have the question with the yes answer all wrapped up in one sentence, and it works. Just try it.

Educational Funds for Every Child

Wouldn't it be a fine thing if we all felt the responsibility of the education of the children growing up around us? Wouldn't it make us come back to all our clients, the men with families, and write educational trust funds for every child, and don't forget the mother.

There are mothers struggling to keep their children in the schools, and they need your support. They need some sort of a plan to insure that. I have seen clients who were women on small salaries, and yet they realized their responsibility, and they have an educational fund of \$25 a month for just a limited period of years guaranteeing the grade and high school education only.

When you have arranged plans for your own children, when you have put your own house in order, then you can talk this plan 100 per cent stronger. You have paved your road. I saw in the "Life Association News" a while ago a statement to the effect that if you believed what you were talking about, then you doubled your vocal capital, and your vocal capital is the same as money in the bank. It is impossible to have 100 per cent selling voice or manner with only 50 per cent ammunition.

Lying in Living Room Adorned with Flowers

Now, will you come with me for a ride on the horse of your imagination? If you were my prospective client, I wouldn't show you this picture, but I am talking to you as one fellow worker to another.

You are lying in the living room adorned with flowers. You have started on the long journey, no one knows where. Here stands your little family, choked with sorrow. Here is your wife, here are Jimmy, your oldest, little Harold, and Sadie. They too have started on a journey, an uncharted path, bereft of your guidance and your support.

Didn't Abscond with Family Possessions

I wonder if you always supplied your wife's needs for ready money. But no matter what happened in the past, you are an honest man. You have left your family well cared for. You didn't abscond with the family's possessions. The Ajax Life Insurance Company is going to pay her \$100 a month. Let's draw the curtain over your family trying to live on the \$25 a week. The children are partially through school. Jimmy is in high school, but he is restless. He doesn't have a car and doesn't dress as well as his companions. He wants a job. He is going to work. The mother is grieved. She doesn't know how she is going to keep Jimmy from doing the one thing he mustn't do, and then, a miracle happens.

Hand Reaches Down With Message for Jimmy

A hand reaches down from heaven. It is your message to Jimmy. Perhaps

INDEX TO THE ADVERTISERS

COVER

Peoria LifeFC
National Life, U. S. A.IFC
American National of Galveston...IBC
Security Life Ins. Co. of America...BC

A

American Central Life.....XXVI

B

Bank Savings Life.....XVIII
Berkshire LifeXXIV
Bishop, L. BrackettXIII
Bokum & Dingle.....XIII
Burkley, Edward J.14
Business Men's Assurance.....12-13

C

Capitol LifeXXVIII
Carmack, E. H.XIII
Casualty ReviewXXV
Central Life, Kansas18
Central States Life.....XXV
Chicago National Life.....VI
Continental CasualtyIV
Continental AssuranceI
Continental LifeXXVII

D

Day, Darby A.XI
Dyer, George L. Co.14

E

Edwards, J. Stanley.....15
Employers IndemnityXVI

F

Farmers & Bankers Life.....VIII
Federal LifeXXIV
Federal Union LifeXIX
Ferguson, Edward A.XI
Fidelity Mutual Life.....XXII
Fischer & Fischer.....14
Flynn, Warren D.14
Fowler, Edgar C.XIII
Franklin LifeXXX

G

Gem City LifeXIX
Globe Mutual LifeXXIX
Great Northern Life.....XXVII
Great Republic Life.....XXII
Grizzard System19
Guaranty LifeXXIX
Guardian LifeXXVIII

H

Hake, R. G.11
Hathaway, J. F.14
Hobart & OatesXI
Home LifeXVII
Houze, W. M.XIII
Insurance Research and Review...XXI
International LifeXVII

K

Kansas City Life.....12-13
Kansas City General Agents.....11

L

La Fayette Life.....XXIV
Liberty LifeXIV
Life Ins. Co. of Virginia.....XXV
Lincoln National Life.....XII

M

Massachusetts Mutual Life.....XV
McKnight, Arthur L.14
Meyer, Julius H.XIII
Mid-Continent LifeXX
Midland Life12-13
Minnesota Mutual Life.....XX
Mutual Benefit LifeXXI
Mutual Trust LifeXXX

N

National Fidelity Life12-13
National Life, Vt.VI
National Life & Accident.....XXIII
National Savings LifeXIX
Nelson, M. A.14
New England Mutual Life.....XXIII
Northern LifeXIII
Northwestern Mutual Life.....XXXI

O

Ohio National LifeX

P

Pacific Mutual Life.....III
Pan AmericanXXII
Pearson & Larson.....II
Peoples Life, Ill.V
Peoples Life, Ind.XXVI
Phoenix Mutual Life.....II
Pilot LifeXXIV
PrudentialIX

R

Rench, Fred T.14

S

Scharles, Wm. L.11
Scott, Charles L.11
Skinner, D. M.11
Southern Union Life.....IV
Springfield LifeVII
St. Louis MutualXXXI
St. Louis General Agents.....14
Standard Life, Pittsburgh.....XIX
Sun Life, CanadaXIV

T

Trotter, J. F.11

U

Union Mutual LifeXXV
Unique Manual—DigestXXXII
Universal Life7
U. S. ReserveXXXI

V

Victory LifeVIII
Volunteer State Life.....XVIII

W

West Coast LifeXX
Western ProtectiveIV
Whately, S. T.XII
Wrenn, EvertsXIII
Wyman & Palmer.....XIII

you are standing there in the midst unseen, who knows? Mother goes over to the desk in the corner and takes out an envelope. She hands Jimmy two checks. She says, "Jimmy, this one is for your tuition, for your books, and for your clothes, and here is another one for your other expenses, and every month for four years this is coming from Daddy."

The other children are interested. Did Daddy leave them a message? Yes. In a few years they will be reaching college age and then they will have a check every month too. Well, you discharged your obligation. You fulfilled your duty. Now, we all know where you went.

Dallas Out for 1927

Dallas, Tex., is out in full force to land the 1927 convention of the National Association of Life Underwriters. Bright

and early on Monday morning the Dallas contingent, 125 strong, descended upon Kansas City. They at once got busy distributing badges, reading "Dallas 1927." They made no effort to put in a bid for next year's convention but centered their entire fire upon clinching the meeting for Dallas two years hence.

Don L. Sterling, an agent of the American Life Reinsurance at Dallas and president of the North Texas association, was at the head of the Dallas aggregation. So much favorable sentiment was created in favor of Dallas that unless a big boom for some other city is started in the meantime it is reasonable to conclude that Dallas has at least an even chance of landing the 1927 meeting. The Detroiters who are attempting to get the 1926 meeting were not present in large numbers and did not make any effort to attract attention to their city in connection with the 1927 meeting.

The National Underwriter

Trust Company Session Wednesday

COOPERATION IS FEATURED

Trust Officers Tell Actual Experience on Life Insurance Angle

Detroit and Pittsburgh Men Make Strong Talks—Life Playlet Makes Hit

Convention Headquarters, Orpheum Theater, Kansas City, Mo.,

ONE OF the most effective symposiums on trust company service in connection with life insurance ever presented was staged at Wednesday morning's session of the National Association of Life Underwriters. Two trust company men were on hand to tell in concrete form just what they had done in that connection, while Edward A. Woods gave the insurance side.

Wednesday morning's session was a decided improvement over the opening gathering yesterday. The general topic, "How Trust Companies Can Help Life Underwriters," was very interestingly handled. Mr. Woods' illustrated talk on the subject got the meeting off to a good start. By the use of charts and diagrams his points were made tellingly. Alexander C. Robinson, president of the Peoples Savings & Trust Company, of Pittsburgh, was in charge of the session as general chairman.

Roy W. Williams, the song leader, "warmed them up" during the first ten minutes with some new stunts and original renditions.

Rev. Ralph C. McAfee, general secretary of the Kansas City Council of Churches, gave the invocation.

Detroit Man Tells of Actual Experience

John A. Reynolds, assistant vice-president of the Union Trust Company of Detroit, Mich., held his audience closely while he told for half an hour of "Our Experience in Cooperating with Life Insurance Company." He gave a concrete and convincing description of the actual results of cooperation in his own city. An interesting feature in connection with his address was the exhibition in enlarged form of the advertisement which the Union Trust Company has used.

Following his address, Franklin W. Gamse, of Boston, asked those in the audience who had made their wills to hold up their hands. About a third of those present responded. He then asked for those who had named a trust company as trustee. There were hardly more than a dozen.

"We'd better go back and fix up our own affairs before we talk of cooperation," commented Mr. Gamse.

Lively Discussion Follows

Address by Robinson.

Alexander C. Robinson, president of the Peoples Savings & Trust Company of Pittsburgh, was the second Trust company official on the program, speak-

NEW OFFICERS ELECTED

PRESIDENT

Frank L. Jones, Equitable of New York, Indianapolis

VICE-PRESIDENT

Paul F. Clark, John Hancock Mutual, Boston

FIRST VICE-PRESIDENT

Don L. Sterling, American Life Reinsurance, Dallas, Tex.

SECOND VICE-PRESIDENT

Charles L. Scott, Massachusetts Mutual, Kansas City

SECRETARY

Jay E. Williams, Phoenix Mutual, Seattle, Wash.

TREASURER

Charles F. Foehl, Prudential, New York

TEN TELEGRAPHIC TALKS

"Is life insurance education the bunk?"

That is the 20th Century American way of asking if life insurance education is or is not worth while.

In the session on the "Value of Training" to be held in the ball room of the Hotel Baltimore at 7:30 o'clock tonight, this question asked in a telegram will be answered in telegraphic form by ten men who have made good and who have had an educational course. This will be the peppiest part of the program for this evening.

The Ten Telegraph Talkers are:

James Elton Bragg, vice-president Manhattan Life.

Paul Clark, general agent John Hancock, Boston.

H. J. Cummings, Minnesota Mutual, St. Paul.

Ira J. Fisher, general agent Penn Mutual, St. Louis.

Russell S. King, general agent State Mutual, Chicago.

O. J. Lacey, vice-president Minnesota Mutual.

Joseph E. Lockwood, general agent Provident Mutual, Kansas City.

James McLain, agency supervisor home office Guardian Life.

O. F. Mersfelder, general agent Kansas City Life, Oklahoma City.

John H. Russell, assistant general agent Pacific Mutual, Los Angeles.

ing on "The Mutuality of the Problem."

He was introduced by Edward A. Woods, who spoke of his long personal acquaintance and close cooperation with Mr. Robinson. The talker then gave a strong review of the possibilities for mutual aid between life underwriters and trust companies.

Some very lively discussion followed, in which a number of very pertinent questions were fired at the presiding officer and the various Trust company men seated on the platform, including officials of a number of the Kansas City trust companies, who took an active part in the discussion and answering of the questions submitted.

Some of the questioners admitted that they had been "planted" for the purpose of keeping the discussion going, while others indignantly denied that this was true in their case and insisted that they were solely actuated by a sincere desire for information.

B. C. Howard of the Commerce Trust Co. of Kansas City and John W. Clegg of Philadelphia, the Association's president, were among the last speakers on "The Mutuality of the Problem."

At the close of the trust company session a telegram from the trust company section of the American Bankers' Association in convention at Atlantic City was read. The telegram explained that during the year there has been a pronounced extension of cooperation between trust companies and life agents, and that next year there would be no conflict in dates between the annual meetings of the American Bankers' Association and the National Association of Life Underwriters. A suitable telegraphic reply was sent.

A refreshing change was the next half hour given to a presentation of George W. Ayars' playlet "Thy Will Be Done." As the actors say "It went over big," and carried with it a real message.

JONES PICKED AS NEW HEAD

Indianapolis Man Is New President of Life Underwriters

All Sections of Country Represented in Slate of New Officers Selected

Convention Headquarters, Orpheum Theater, Kansas City, Mo., Sept. 30.

NEW OFFICERS named by the nominating committee of the National Association of Life Underwriters, and formally elected Wednesday, include men who are located from one end of the country to the other. Frank L. Jones, manager of the Equitable of New York at Indianapolis, is the nominee for president. A detailed sketch of his career is given in an adjoining column. Paul F. Clark, general agent of the John Hancock at Boston, is selected as vice-president. Don L. Sterling, an agent of the American Life Reinsurance at Dallas, Tex., is named as first vice-president and Charles L. Scott, general agent of the Massachusetts Mutual, Kansas City, second vice-president.

Jay E. Williams of Seattle, Wash., was selected as secretary. Mr. Williams is general agent of the Phoenix Mutual. The new treasurer nominated by the committee is Charles F. Foehl, manager of the ordinary department of the Prudential in New York.

All Parts of Country Represented on Committee

The nominating committee consists of the president of or a delegate from each of the local associations. In this way, each part of the country has a chance to cast a ballot for the man that it favors. The nominating committee is so large that there is no possibility of one section of the country "running away" with the election.

Mr. Jones is one of the veterans of the National Association. He has for nearly two decades taken an active part in all of the association's deliberations. He had charge of the opening session of this year's convention.

Vice-president Paul F. Clark has made a remarkable record in the life insurance business. At the age of 33, he is the leading general agent of the John Hancock Mutual. He is a nephew of Ernest J. Clark, manager of the John Hancock at Baltimore. Paul Clark began as a personal producer in his uncle's Baltimore agency after graduating from the University of Pennsylvania. In a short time he became the agency's high man, and was then transferred to Boston, where he has since made rapid forward strides.

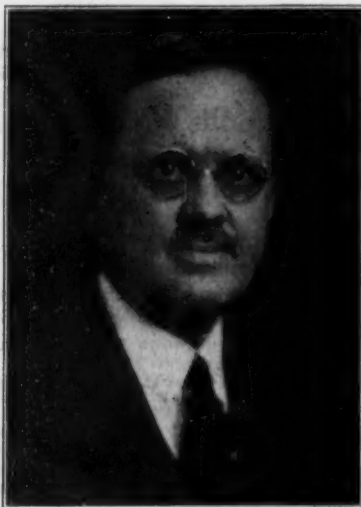
Texasan Selected as

First Vice-president

Don L. Sterling of Dallas, Tex., selected by the nominating committee as first vice-president, has been in the life insurance business for only three years, all of which time has been spent as an

agent for the American Life Reinsurance. He resigned a position in the promotion and business department of the Dallas, Tex., "News," carrying a salary of \$5,000 per year, to carry the rate book for the American Life Reinsurance. During his first year, he produced \$340,000 of business, and has shown a steady increase during the past two years. Last year, he wrote 42 monthly income policies—an exceptionally high production of this class of business. He is married, and has five children.

Mr. Sterling was brought into the business by Henry Camp Harris, agency director of the American Life Reinsurance. Mr. Harris is a close personal friend of Mr. Sterling's, and is attending the convention with him. Mr. Sterling is president of the North Texas Association of Life Underwriters, and as such



GRAHAM C. WELLS, New York
Chairman Executive Committee

headed the delegation of 125 that descended on Kansas City the first morning of the convention, determined to definitely line up the 1927 national meeting for Dallas. Mr. Sterling's elevation to the first vice-presidency undoubtedly gives Dallas a better chance than it formerly had of capturing the 1927 meeting.

Scott Had Been Talked of for Next President

Charles L. Scott, general agent of the Massachusetts Mutual at Kansas City, slated by the nominating committee for the second vice-presidency, was prominently mentioned as the logical presidential candidate before this week's convention opened. It was known that a western or southwestern president was desired and Mr. Scott's friends in this section of the country launched a big boom for him for president. Mr. Scott, however, was forced to decline for physical reasons. For the past year, he has not been in good health, and explained that it would be impossible for him to assume the position of chief executive of the National Association, because he would not be able to do the traveling or carry out the strenuous duties that are coupled with the position. It was decided in view of Mr. Scott's health to honor him with a place on the official staff. He has been with the Massachusetts Mutual for many years.

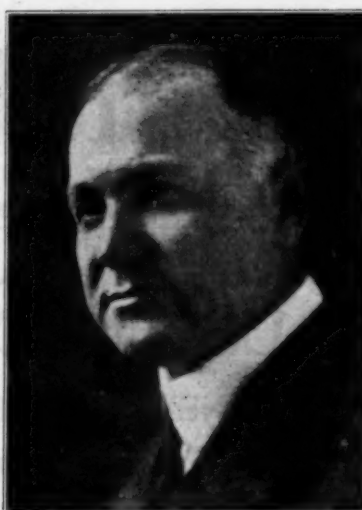
Coast Man Is Selected for Secretary's Post

Jay E. Williams, general agent of the Phoenix Mutual at Seattle, Wash., listed by the nominating committee as the next secretary, has been the Phoenix Mutual's manager at Seattle for the past two years. Prior to that, he was for several years the company's west coast supervisor, during which time he paid particular attention to the development of the Seattle agency. Mr. Williams is not a personal producer, but has had notable success in developing the Phoenix Mutual's producing staff on the

Frank L. Jones, manager of the Equitable Life of New York at Indianapolis, who was selected last night by the nominating committee as the National Association's next president, is one of the great nationally known educators of the business. He came into universal prominence during the world war when he went overseas to teach to the soldiers the correspondence courses on life insurance prepared by Dr. Lee R. Frankel of the Metropolitan Life and Secretary William A. Alexander of the Equitable of New York. Mr. Jones has, during all of his life insurance career, been solidly behind every important educational movement that has been launched in the life business.

He is a Hoosier, having been born near Kokomo, Ind., Feb. 25, 1872, and graduated from Indiana University in 1898. He was state superintendent of schools in Indiana for four years and entered the life insurance business in 1903 as agency director of the New York Life at South Bend, Ind. Later Mr. Jones became western superintendent of agents for the Equitable, covering eight states, and in 1913 became agency manager of that company at Indianapolis.

In his overseas work, with a corps of about 25 instructors, over 120,000 men in uniform received training in life insurance selling, both here and abroad, Mr. Jones and his associates serving on both sides of the water. Mr. Jones is a forceful and convincing speaker and those who know him best terming him a "natural born leader." A very successful administration of the affairs of the National Association is looked for during his leadership of that body.



FRANK L. JONES

coast and particularly in Seattle. Mr. Williams has the knack of developing the latent talents in men, and it is stated that the men in his agency show a larger average personal production than can be exhibited by the agents in any other Phoenix Mutual Life office. At yesterday's session, Mr. Williams explained in an interesting manner the hospital drive which was so successfully put over by Seattle life insurance men last winter.

Charles F. Foehl, selected as treasurer by the nominating committee, has for some time been manager of the ordinary department of the Prudential at New York City. He is a protege of Charles B. Knight, manager of the Union Central in New York. Mr. Foehl was first manager of the Prudential's ordinary department at Pittsburgh, Pa., was later transferred to Philadelphia, Pa., and finally stationed at New York. He was for a short time president of the New York Association of Life Underwriters.

Geographical Distribution Is Very Nearly Perfect

This new slate of officers thus lists one New Yorker, one New Englander, one man from the southwest, one from the Pacific Coast and another from "The Heart of America." A geographical distribution is consequently nearly perfect. Whoever is selected by the Canadian Association of Life Underwriters as president will automatically become third vice-president of the National Association in this country.

The nominating committee did not meet until 11 p. m. Tuesday, following the reception and dance of the home office building of the Kansas City Life. Last year's meeting of the nominating committee was also late at night. This year's meeting was calm and peaceful. There was no bitterness or lining up of factions. The nominating and voting was done in an open and orderly way and the present plan of electing officers seems to be satisfactory to everyone.

RECEPTION TUESDAY NIGHT

The beautiful new home office building of the Kansas City Life at Armour Boulevard and Broadway, was last night the scene of a reception and dance for those attending the National Life meeting. The affair was given by the four Kansas City companies, the

presidents of which are Joseph B. Reynolds, Kansas City Life; W. T. Grant, Business Men's Assurance; Daniel Boone, Midland Life, and Ralph H. Rice, National Fidelity Life.

It was strictly a cooperative affair, each of the four companies having an equal part in it. Refreshments were served and dancing continued until midnight.

Playlet Makes Hit

The playlet, "Thy 'Will' Be Done," presented at the Wednesday session under the direction of George W. Ayars of Los Angeles, made as big a hit as did the similar offering, "The Heart of the Estate," given at the Los Angeles meeting last year, which proved so popular that it has been presented 228 times in the United States since its premiere in Los Angeles last year.

The cast that presented the play was composed entirely of Kansas City people with the exception of Mr. Ayars, who had not expected to take any part in it, but found on his arrival in Kansas City to conduct rehearsals that it was necessary to start in practically with new material. In spite of that fact the performance went off with as much zest and snap as though presented by professional talent.

Both the play presented last year and the one given Wednesday were written by Mr. Ayars and Louis Ullman of Los Angeles, both formerly prominent in "big time" on the stage and now equally prominent in the life insurance field. Mr. Ayars, who is now supervisor for California for the Phoenix Mutual Life, was president of the Los Angeles Association at the time of the convention there last year and is regarded as largely responsible for the success of that convention. Mr. Ullman is manager of the life department of The Behrend-Levy Company of Los Angeles and a big personal producer. He has been in life insurance work for about three years.

EX-PRESIDENTS ON HAND

Ten of the ex-presidents of the National Association were on hand for the Kansas City meeting—John Dolph, Washington, D. C.; L. Brackett Bishop, Chicago; Ernest J. Clark, Baltimore; Edward A. Woods, Pittsburgh; John

Would Improve State and Local Activities

Plans for furthering and improving the work of the local and state associations were discussed in detail at a meeting of the executive committee Tuesday afternoon. William A. Searle, assistant to the president, submitted several recommendations and suggestions based upon his observations and deductions made during visits to associations in all parts of the country during the past year.

Mr. Searle said that it is particularly desirable to change in some way the form of electing officers in many associations so as to take the control of the associations out of certain groups "cliques." He said that in some cities a small coterie of men dominate the situation and that the vast majority of members have little or nothing to say about the election of officers or the policies to be pursued by the association.

Uniform Plan for Election Is Sought

Mr. Searle stated that other organizations have circumvented this situation by adopting an open or letter form of election. That is, members have been given long lists of names and asked to select their officers from say 25 different candidates. In this way, the election is not narrowed down to two or three, the selection of any one of whom would not alter the control of the association. It is Mr. Searle's idea that some uniform plan for electing officers may be evolved and adopted by at least all the important associations in the country.

Mr. Searle and others also advocated further development of the state associations, pointing out that thousands of life insurance men working in the small towns or rural communities are unable to affiliate with the large city association, can not usually afford to attend National Association meetings and are hence almost beyond the influence of any association gathering. Where there is a state association, which holds one day's sales congress, or perhaps two or three day sales meetings, producers within the boundary of the state usually feel that they can afford to take the time and trouble to attend such a meeting.

State Association Fills Important Gap

Thus, the state association fills an important gap between the city and the National Association and performs a valuable function. The success of such outstanding state associations as those in Ohio and in Indiana were pointed to as indicative of the possibilities. The opinions expressed by those who attended this meeting indicated clearly that it is the intention to give more time this year to the development of state associations which have sales programs that are designed to appeal to the small town or rural producer.

IOWANS' SONG STUNT

Roy W. Williams, of Oklahoma City, the peppy song leader, had something "slipped over" on him at the beginning of the Wednesday morning session. Shortly after the singing began he said that he had been told that those in the balcony were from Iowa. He accordingly asked them to sing the famous Iowa "Tall Corn" song. To everybody's surprise the crowd in the balcony sang the well-known tune but they had words all their own. They were, to the agents of the Guaranty Life of Des Moines and have been holding their agency convention here. Their song is devoted in part to a few words of praise for their company and its vice-president and manager, Lee J. Dougherty.

Newton Russell, Los Angeles; J. Stanley Edwards, Denver; Orville Thorpe, Dallas, Tex.; John L. Shuff, Cincinnati; A. O. Eliason, St. Paul, and Graham C. Wells, New York. Lawrence Priddy of New York, who has been absent but once before in 25 years, was greatly missed.

State
Activitiesand improv
state assoc
all at a me
committee ha
am A. Sear
submitted
suggestions
is and deli
association
y during ther organiz
is situat
ter form
s have be
nd asked
y 25 diff
the elect
two or thr
whom wou
associatio
t some us
ers may b
east all th
the countr
advocate
state ass
hundreds
n the sm
are unabl
ity assoc
l to attest
gs and ar
m doubtful
of the am
of "opera
" I speak
generally,
for I believe
appreciation
of the value
of life in
perhaps
insurance
trusts has
not been
fully felt
either insurance
men or trust
officials in
the smaller
cities. In New
York, Philadel
phia, Chicago
and other
metropolitan
centers it is
not difficult
to ascertain
the trust companies
which are
working with
the insurance
companies. But
in the lesser
populated
towns, where
one or two
banks practically
control the
community's
finances, the
cases out of
ten the value
of the money
arrangements
which may be
worked out
through such
joint effort
is unheard of
or lost sight of.

To my mind, the fault lies particularly with the trust company officials and bankers. Unless I be deemed traitor to my clan, let me explain that the foresight, or courage if you will, of the average banking official in the smaller community must necessarily

How Cooperation Idea Has Worked Out

Executive of Detroit Trust Company Tells of Actual Experience in Working With Life Insurance People

By JOHN A. REYNOLDS

Assistant Vice-President Union Trust Company, Detroit

LIFE insurance trusts have received so much particular attention during the last few years there is little that is new which may be said about their benefits. Bankers and trust company officers in their separate conventions have devoted days to forum discussions and to the reading of papers on life insurance, and there have been stated over the signature of insurance company executives countless articles on the efficacy of trust agreements and the need of cooperation between companies rendering financial, institutional service. It is one thing, however, to state grandiloquently or to write brilliantly on the possibilities of such cooperation and quite another thing to achieve it. Poets, painters and dreamers have raved for centuries about the beauties of the sunrise and have pictured Old Sol hovering in each separate attitude of the world. It is only recently engineers have considered harnessing heat rays and the bringing to the service of man the latent power undoubtedly centered there. There has been a long stretch between appreciation and achievement.

Value of Life Insurance Not Fully Felt

So it is to a degree in the matter of cooperation between life insurance companies and trust companies. There has been considerable "co-ing," but I am doubtful of the amount of "operation." I speak generally, for I believe appreciation of the value of life insurance trusts has not been fully felt either insurance men or trust officials in the smaller cities. In New York, Philadelphia, Chicago and other metropolitan centers it is not difficult to ascertain the trust companies which are working with the insurance companies. But in the lesser populated towns, where one or two banks practically control the community's finances, the cases out of ten the value of the money arrangements which may be worked out through such joint effort is unheard of or lost sight of.

To my mind, the fault lies particularly with the trust company officials and bankers. Unless I be deemed traitor to my clan, let me explain that the foresight, or courage if you will, of the average banking official in the smaller community must necessarily

be circumscribed. A loss to any customer of his bank means a universal community knowledge of what is considered his mismanagement. Naturally, then, he has been wary of the insurance trust, and while we know the possibility of loss is highly remote, your conservative small town bank official abhors an innovation.

Banker Looks Askance at Insurance Presentation

So the progressive insurance man, who has graphically presented to his banker the possibilities of the plan, has been most likely looked upon askance as the promoter of some new blue sky scheme aimed at the community's financial bulwark. Some think our smaller towns do not materially affect metropolitan situations. But experience has revealed the number of times the practices of Main Street have modified or controlled the policies of larger cities. Hence it is with this matter of insurance cooperation. The story must be broadcasted. The more universal the appeal of the life insurance trust is made, the greater the cooperation may be expected to develop between insurance men and banking officials. This can only be brought about through a policy of education, which will embrace not only every trust company and bank official in the country, but each separate insurance man selling life policies. It is proper thought for this convention and I feel sure that by visiting together and discussing experiences we may unearth valuable discoveries whereby to our mutual benefit new business will accrue.

Experience in Cooperating With Insurance Fraternity

The invitation extended to me indicated I was to voice my company's experiences in cooperating with the insurance fraternity in Detroit. It behooves me, however, to say that this cooperation was extended to many of the lesser towns about Detroit, from which we received in turn considerable support. I am told to tell you about the Union Trust Company and while it is expected of me to do so modestly,

it must be remembered I am to express the satisfaction I feel with the results of our efforts expended in behalf of life insurance, so I crave some leeway.

To begin with, I must speak briefly of the organization of the business extension department of our company. The Union Trust Company is the oldest in Detroit. Its board of directors has been comprised from the beginning of men of wealth or of men whose forbears controlled wealth for generations and who were guiding spirits of Michigan's development. All of you know, however, of the tremendous growth of Detroit and of the influx of thousands to whom the names of our officials means little.

Newcomers Respond to Appeals of Advertising

These newcomers were prone to respond to appeals of advertising and would have drifted to competitors if we continued to blanket our facilities. We saw that whereas heretofore we had been able to proceed under the force of our own momentum, it was perhaps more advisable now to actively solicit the use of our services through an organized sales force. And to this end we accordingly made effort. Counseling among ourselves, we determined that the well organized trust company recognizes much of its favors as emanating from attorneys and real estate men, the developing of trusts, the certifying of land titles and similar operations coming largely from these professions. However, we soon appreciated that to the real estate operator and his legal advisor in this day there must be added the insurance counsellor. And we judged wisely. Even as there is no agent who will become closer connected to future affairs than the life insurance man.

Company's Slogan Was "Friend of the Family"

So we decided to cultivate insurance men. We had more than one motive, however. For years the slogan we had sought to identify our company with was "Friend of the Family." We had attempted to justify this phrase by

serving our clients' families as we would wish our own to be served. The bringing of the insurance men closer to our organization furthered us in this purpose. There was little sophistry in our conclusions, though to be candid, we were not altogether altruistic. It might have been we hoped that by casting our bread upon the waters some of it at least might come back buttered. At any rate we recognized what fundamentally every wise business man instinctively knows, that any organization, whether it be a railroad, a municipality, a grocery or a bank, which expects to endure and prosper in the locality from which it derives its revenue, must continuously be cordial and must unendingly do those things for its customers which will establish in their minds confidence and will imbue in them a sense of its reliability, capability and good will.

Trust Company Highly Centralized Organization

More true perhaps than any of the businesses cited is this as applied to a trust company. The modern trust company is a highly centralized organization. From a corporation originally evolved to manage and distribute estates, it has developed into a mighty market of industry and trade. It has learned the craft of the business builder. It has become a confessional to men and women of many vocations who have arrived sorrowful at a point where they need advice. It has helped to combat family ills and has been a shop where the torn domestic garment is mended, a sanctuary for widows in bereavement, a haven for parentless children, a harbor for commerce and trade struggling on stormy seas. Yet through it all and in it all your modern trust company has held steadfast to the first ideals, the performance of those functions which have attached to it the well earned compliment, "Friend of the Family."

Ministry of Service Their Life's Vocation

Those of you who are ignorant of the mechanics of trust companies would do well to visit your local organization and meet there the sympathetic, well trained men who make this ministry of service their life's vocation. You will



EARL G. MERCER
President Kansas City Association



SHANNON DOUGLAS, Kansas City
Chairman Transportation Committee



W. FRANK GENTRY, Kansas City
Chairman Banquet Committee



J. P. SOMERVILLE, Kansas City
Chairman Finance Committee

find them well versed in the trade of counsellor, skilled by experience, and by temperament. You will see there unusual helpers of men—workers at the craft of solving problems. For to the officer of the ordinary trust company there comes an endless stream of varying types. There are those who, cautious and wary in all their arrangements, seek to provide for a contented future by the creation of living trusts, and there are those who through circumstances of life have engaged in wasteful ventures, who have been prodigal of their substance and who come to gather the

forget its idealistic side, were you to think only of the sale of your policy and to reckon your task complete with the payment of the premium, you would not hold the place with the modern trust company. Your merchandise would fall in respect to the level of the trinkets of a peddler's pack, and you yourselves would be relegated to the ranks of the gate slammers and ambulance chasers, pursuing a shyster trade. In joining hands with reputable financial organizations you continue to carry on. Not only do you lend majesty to ambitions you aspire to, but you carry on a ministerial work of sound aid to the citizen who has failed to think properly of those who still will be dependent upon him when he has passed on.

Estates Left to Those Unfit for Their Care

It has always seemed to me a pitiable thing that many men have expended years in the upbuilding of their estates and have then seen fit to die, leaving these estates, whether they be composed of insurance monies, securities or properties of another nature, in the hands of individuals who both by experience and environment, and perhaps by temperament, are uniformly unfit for their care and disposition. You have noted countless occurrences prior to the institution of insurance trusts where money left in bulk, the avails of insurance policies, for instance, has been squandered by those into whose hands it fell. The advent of the insurance trust has enlarged the opportunity for the rescuing of those many millions of insurance avails payable in bulk from the fate of the millions which have preceded them. But I digress. It is not my privilege to expound upon the majesty of service. These thoughts, however, were in brief our consideration some seven or eight years ago when the idea of a business development department within our institution matured.

Knew Little About Detroit Insurance Men

In taking the insurance men intimately into our deliberations we noted that insofar as the insurance men of Detroit were concerned we knew little about them except as some personally had been clients of ours or had written our own policies. We were conscious that of insurance itself we knew little other than it was good. We were trust specialists and not insurance men. We knew in a way that some contracts differed from others, but just wherein we might counsel on the varying values of insurance we were decidedly at a loss. This was the first problem for us to solve.

The Union Trust Company at that time had 250 employees, whereas today it has upwards of 1,000. It was considered a rather large concern. It boasted having as many individual trusts, even more, than most of the trust companies in the land. It occurred to us the 250 people could be impressed into service and made Union Trust boosters out of office hours. They must have many friends. We circularized our office force, explaining to them our desire to know more of the local insurance fraternity and asked the clerks to bring in from time to time insurance men of their acquaintance and show them about the office.

Questionnaire Circulated Among Life Managers

We were satisfied with the success of the first move. We began to meet insurance salesmen. We then prepared a questionnaire which we circulated among the managers of the various life insurance companies in Detroit, and which contained the following questions:

Do you believe that life insurance should be paid in bulk to beneficiaries?

Do you favor a trust agreement which places life insurance money in the hands of competent trustees to be administered by them for the benefit of the beneficiaries?

What per cent of life insurance funds do you estimate are dissipated because

of poor management or poor investment on the part of the beneficiary?

Would a campaign of education setting forth the arguments in favor of life insurance trusts meet with your moral support?

Unanimous Approval for Conservation Effort

The response to that questionnaire astonished us and I have taken from our files paragraphs contained in letters from the various insurance managers addressed which indicated their unanimous approval of any efforts we might expend in the conservation of life insurance avails.

"I am heartily in sympathy with creating a trust estate out of life insurance. There are three things that are absolutely incumbent upon any man: First, buying life insurance, second, making a will, and third, creating a trust estate out of his life insurance money, because he can do this much more easily than by any other method."

"I can hardly understand, except in very rare instances, where the insured would desire the proceeds of a life insurance policy paid to his beneficiaries, particularly as his wife, daughter or minor son, rather than under some safe trust arrangement for the benefit of such beneficiaries."

Insurance Should Not Be Paid in Lump Sum

"After serving 25 years in the insurance business I am convinced that insurance monies should not be paid in bulk to beneficiaries."

"I do not believe in payment of lump sums to inexperienced beneficiary. I believe it is important and very necessary to arrange matters so that an income will be provided for the beneficiary, in such a way that it cannot be dissipated or used for speculative investments."

"I shall certainly avail myself of the privilege of recommending to a father, who wishes to provide for his children through a trust agreement, that he name the Union Trust Company of Detroit, trustee for such children."

"There can be no argument as to whether it is better to pay life insurance in bulk to beneficiaries, or whether it is better that funds be left in trust to be protected, conserved and managed by a reliable trustee."

Aims and Intentions Will Be Fulfilled

"We feel that by the insured leaving his life insurance money so that it will be administered by a trust company, his aims and intentions will be fulfilled, whereas if left in a lump sum to the beneficiary, in large amounts, it is too soon dissipated through bad investments and through the smooth money investment sharks who so soon find out that a certain beneficiary has been left a large amount of cash through the death of the husband or father."

"It would be a great blessing to beneficiaries generally, if all property left to them could be handled by a trust company."

"It is a mistake to pay any considerable amount of money to a beneficiary in a lump sum. I recently visited the home of a widow who had just been left with three children, and \$10,000 of insurance in a lump sum. This woman had been educated to stay in the home and to look after her children, and had not had any business training. On a writing desk in the front room I noticed letters from five different concerns, two of which were from oil speculation people. These concerns offered her large returns for any money she had to invest. She said that the addresses of the letters had been obtained from the newspapers in which the funeral notices were printed."

Policy Proceeds Often Squandered or Lost

"I am a thorough believer in the appointment of a trust company, rather than an individual to administer life insurance funds."

"Statistics indicate that where property is left in a lump sum a great majority of cases show that in five years it is all gone."

"In my experience in the life insurance business I have personally seen many cases where the entire proceeds of life insurance policies were squandered or lost through bad investments made by the beneficiaries, who, in a large majority of cases, are inexperienced in the handling or investing of any appreciable amount of money. How much better in all of these cases would have been had a proper provision



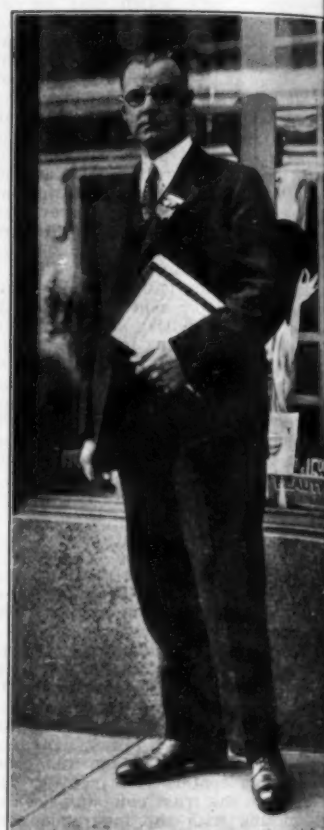
GERALD A. EUBANK, New York

remnants for a new beginning. It is to people like these that the trust company holds a special place in any community. Aside from the institutions that have welcomed its aid, industries for whom it has sturdily stood by, there are many thousands who have participated in the fruits of the fine discretionary judgment of its trust officers to happy avail.

Prominent Part in Building of Estates

The Union Trust Company in Detroit differs in little from the organization in your own individual cities. It rejoices in the many stories associated with occurrences wherein it has played a prominent part in the building of estates and it prides itself in its replete history of occurrences where it had led the moving finger of business to new pages whereon have been set down achievements in Michigan's life. And it was in keeping with its consistent policy of weighing the merits and demerits of new theories in financial arrangements carefully that it recognized the association both in ideals and purposes existing between life insurance companies and banks and financial institutions of our day. You life insurance men are selling a commodity. A product more valuable perhaps because in a certain sense it is intangible. While you are building a competence for the dependents of an insured, you are likewise cultivating habits of thrift and fostering that spirit of care and protection so particularly peculiar to American family life.

Were you to separate the operation, were you to divide your interest and to



GEORGE N. AYARS, Los Angeles

ion been made, during the life of the assured, for the payment of these funds in the form of income, under a trust agreement with the life insurance company, or through some first class trust company, according to some well thought out plan."

90 Per Cent of Lump Sums Gone in Seven Years

The information they gave us that 90 per cent of all insured money paid in lump sums upon death was squandered within seven years was to us at that time almost unbelievable and we saw that there was a duty incumbent upon us at once to educate the public of Detroit to the value of insurance itself, not for our sake or from our standpoint, but for their sake and from the standpoint of their beneficiaries and children. At our advertising conference we agreed that the situation warranted the expending of a special advertising appropriation. We recognized that as an institution which had adopted as its slogan "Friend of the Family" there was incumbent upon us a duty to tell Detroiters the necessity of insurance and to advise them of its value. I personally called on all of the managers of insurance companies in Detroit at that time, explaining to them the campaign we proposed. I was invited back to talk to their insurance agents and within the next three months addressed over 30 agency meetings in Detroit, at each of which were gathered from 20 to 75 insurance men.

There were brought out at these meetings some interesting things. The



This Is a Good Company

¶ Its officers are all experienced field men.

¶ They know how to help you in a way that gets commissions.

Buy Life Insurance From a Good Company
Sell Life Insurance For a Good Company

The Universal Life Insurance Company

DUBUQUE, IOWA

M. A. NATION, President

most interesting from our standpoint was the lack of knowledge of trust company endeavor in the minds of many of the insurance salesmen, particularly with regard to the insurance trusts. To some a trust company was merely a place where large estates were managed. The fact that we might profitably take care of an insurance estate as small as \$5,000 or \$10,000 was beyond them. We met numerous part time salesmen, who, we concluded, cared most about selling policies and least about giving service or representing their companies thoroughly, and who we still believe do more to misplace life insurance than should be allowable.

Our next step was to prepare an advertisement which would be so striking it would call attention immediately to the desirability of insurance and would warn as well of the dangers of being without it.

Tax Department Service

Extended to Insurance Men

We then put at the disposal of the insurance men of Detroit the services of our tax department, advising them we were ready and willing to cooperate in arranging the tax affairs of their



GEORGE E. LACKEY, Oklahoma City
Vice-President National Association

clients or those for whom they might be writing insurance. We followed this with letters from our president, Frank W. Blair, to those who desired such letters—stating our unequivocal stand in favor of insurance and rectifying instances wherein we had known officially the value of insurance as a saving factor in the administration of estates. We prepared miniature reproductions of our newspaper advertisement for the kits and handbags of the insurance salesmen, with a view of influencing their customers through the Union Trust Company endorsement. We purchased endless series of insurance pamphlets, prepared some ourselves and distributed them through a list of prospects' names furnished us by the Detroit insurance agents. We advised the insurance men in Detroit that we would send our representative along with theirs to any prospect which they might suggest with a view toward strengthening the arguments of the insurance salesmen.

"Pep" Cards Contained Enthusiastic Slogans

We purchased what we termed "pep" cards, which contained upon them enthusiastic slogans such as "An empty wagon makes the most noise," "If you expose yourself to enough business you are bound to catch it somewhere," "Be for it, or don't be with it," "To sell 'em, you must tell 'em; the more tell 'ems, the more sell 'ems," "Every fighter has to take a lot of punishment before he reaches the championship class," "Whether I am busy or not depends upon how interesting you can make your story," and distributed them among the insurance men every successive Monday

morning. This may sound like nonsense to you and have no bearing on the sale of insurance, but mind you, we were purchasing good will. The salesmen looked for those cards on Monday morning as they looked for their pay envelope on Saturday night and we never entered a salesman's office without finding them on the wall or on his desk, and of course, in a dignified way, they carried the name, Union Trust Company.

Programs for Trusteeing Renewals of Agents

We arranged programs for the trusteeing of renewals of agents whose companies had no such arrangements and we have latterly got under way a scheme for the payment of insurance premiums wherein we assume the responsibility of paying premiums under a savings arrangement with the insured.

These things have covered a period of several years. We are continually on the alert for new ideas which will help the sale of insurance. One thing we wish to impress upon you is that when our representatives call upon prospects to discuss life insurance matters with them, they always insist that the prospect consult his insurance man before making any arrangements of his policies in order that he may receive the benefit of his insurance counselor's advice. In this way our life insurance trust plan is never advocated in preference to the contracts prepared by the insurance companies.

Not Competing With Insurance Companies

We endeavor to make it plain that we are not competing with insurance companies for this class of business and leave it largely to the wisdom of the insurance agent to determine whether or not the life insurance trust plan of our company is more suitable to the needs of the prospect than the contract which he might issue through his company. In the past there has been too much treading on each other's toes and this has kept back the feeling of good will that should prevail.

There are distinct benefits in the two plans which do not conflict. The usual life insurance trust contains discretionary powers for trust officials and pays to the beneficiary of the trust a greater net return than does the life insurance contract. Yet the life insurance contract guarantees a set return and provides money arrangements which in a number of cases are more adaptable than are those of the trust company.

Great Change in Life Insurance Trust Business

We have pointed out to Detroit insurance men that their duty is to get the insurance sold and then to have it properly conserved. If their prospect is in need of one plan or the other, the position is not to quarrel nor to haggle about trust companies, but to work along such lines as will render the greatest value and achieve the best ends for the insurance prospect.

Following such a policy of good will, a great change has enveloped the life insurance trust business of our company.

Whereas six or seven years ago it was something of a novelty for us to receive an insurance trust more often than once a month, we count the time lost now when at least one insurance trust falls to enter our files each day. The insurance trusts which we have received so far this year will aggregate several millions of dollars. Seventy per cent of these trusts have been directed to us by insurance men or by prospects whom the insurance men have sent us to. Does this sound like success? It is success. And yet we believe we are just starting.

Placing Mortgage Loans for Big Life Companies

It is interesting to note here that while five years ago we had achieved a certain reputation for our interest in real estate in Detroit, we were just at that time beginning to follow out a campaign for mortgage loans then in con-

templation. When we took the decided interest in life insurance which I have indicated, our attention was attracted to the insurance companies who might loan on real estate in Detroit. And whereas at that time we were placing only our own money or our trust funds in real estate mortgages, today we are the loaning agent for the state of Michigan of nine of the largest insurance companies in the United States, placing approximately \$20,000,000 of insurance money in Detroit real estate last year, and looking forward to a much larger amount this year. There is no doubt in our minds that when the profits, if considered from a mercenary standpoint alone, are taken into consideration, our business justifies our earlier conclusion.

Much Added Business of Other Varieties

Let me say, however, that besides the millions of dollars of life insurance trusts which have come to our office, there have been added innumerable investment deposit accounts, considerable escrow business and we pride ourselves that many of the insurance agents in Detroit have drawn their wills naming us as executor, indicating by their action they are content to have us manage their affairs after death. I know of at least a dozen insurance salesmen, who, within the last year, have trusted their own insurance, with our company. I know of at least 100 people who have had their wills drawn naming us as executor at the behest of insurance men recently; but this is selfish retrospection. The real value of our efforts comes in the prestige, the good will and kindly feeling we have helped create in Detroit for our company; it comes in contented folks who are grateful to us for our assistance; it comes in the realization that we have exerted an effort to save enormous sums from bad investment.

Figures Given on Life Insurance as It Is Today

Consider the insurance in use at the present time. At a recent convention of the Volunteer State Life, one of the speakers gave the following statistics:

(1) On Jan. 1, 1925, there were more than 250 regular reserve life insurance companies doing business in the United States.

(2) There were nearly 90,000,000 policies in force giving protection of more than \$65,000,000,000 on the lives of more than half of our population.

(3) The premium income for the year 1924 was over \$2,200,000,000.

(4) During 1924 more than 16,500,000 policies were written or revived with the value of approximately \$14,000,000,000 more insurance than was in force by all of the American companies 20 years ago.

(5) Outstanding insurance at the end of 1924 aggregated approximately \$65,000,000,000.

(6) The United States insurance companies pay to beneficiaries more than \$500,000,000, or about \$2,000,000 each working day.

Just think of the amount of money which will unquestionably be squandered unless real cooperative measures are introduced to save it. Colossal waste of this type is not only unnecessary, but sinful, where it could be converted to the public's benefit as was originally intended when these policies were issued. The possibilities of what it might produce are beyond the vision of men. Let all of the trust companies of this country appreciate their duty, let them take such steps as they may be able to, to join in in the work the insurance companies are doing in educating people on not only the value of life, but the price of death.

Scholarship Contest on Advantages of Insurance

I have just one more thing to tell you and I am done. Two years ago the Union Trust Company created a scholarship foundation. Under its term five scholarships of \$1,000 each are awarded to the high school students of the three counties adjacent to Detroit, who pre-

pare the best essays on a subject which our company designates. Two years ago the subject was "The Selection of Investments." Last year it was "Home Ownership." On each of the subject five students were awarded scholarship to the universities they selected.

Just before I left Detroit the officials of our company decided that this year the scholarship contest would be on the "Advantages of Insurance." I have with me the artist's first copy of the full page announcement which will advise the people of Detroit of the subject. I wish you would contemplate for a moment the advertising value of insurance men in the contest. Hundreds of high school seniors will compete in the contest. Numerous full page advertisements will appear from time to time, advising them of the progress of the contest. Eminent and prominent citizens will act as judges, last year



EDWARD J. McCORMACK, Memphis

board, being Edwin Denby, former secretary of the navy, Bishop Warren L. Rogers, now of Cleveland, and Clarence Lightner, chairman of the board of law examiners of the state of Michigan.

Nothing to Link Up Insurance With Trust Plan

There will be nothing in these essays which will be intended to link up insurance with any trust plan or the Union Trust Company. They will be entirely and solely on the subject, "The Advantages of Insurance," and will be submitted only after nine months' intensive study on the subject by the students writing. The essays will first be supervised by the principals and directors of the various high schools and will only be submitted to the Board of Awards after proper selection.

This, in brief, is what the Union Trust Company of Detroit has been doing in its attempts to cooperate with insurance men.

Isaac Miller Hamilton, president of the Federal Life of Chicago, whose company's agency convention is on here, gave a radio talk on life insurance over station W D A F on Tuesday evening. Mr. Hamilton made a plea for a return to moderation and gave a warning against extravagance.

Helping Americans to Die at Par

By EDWARD A. WOODS
Equitable Life of New York, Pittsburgh, Pa.

COOPERATION between life underwriters and trust companies is not based upon any sentimental desire of either to neglect their own business to help out that of the other, but upon the mutual interests of each. Life underwriters augment estates and provide immediate cash necessary to conserve or liquidate them. Trust companies conserve estates. Without life insurance, or without sufficient life insurance, estates would be smaller, administration would be rendered more difficult and in some cases liquidation would be impossible without serious or total loss.



EDWARD A. WOODS, Pittsburgh, Pa.
Equitable Life of New York

Cooperation between these great institutions is, therefore, based upon identity of interests and the fact that the work of each supplements the other.

Life Insurance Is

Taken For a Purpose

Life insurance is taken for a purpose. If this purpose is not fulfilled, the service is not complete, and in the long run, life insurance will suffer. It becomes known that the creation or preservation of estates by life insurance results only in estate including the insurance being dissipated the business of the life underwriter will be hurt.

To illustrate the shrinkage of estates and the need for more life insurance to provide ready funds to aid in their administration, a survey of a large number of estates has been made, estates ranging from a small one of \$5,000 to large ones of \$5,000,000. A shrinkage of all classes is shown, but it is significant that the owners of small estates show very much larger amounts of ready money than the large ones.

Items Composing Shrinkage in Large and Small Estates

Plates B and C show the items composing what is called "shrinkage"—administration expenses, debts and taxes. It will be noted that the item of taxes is, of course, small or insignificant in the small estates, but is the principal item in the large estates. Administration expenses, on the other hand, are necessarily large in proportion for the small estates—and even then often unprofitable to the executor—but a very small part of the shrinkage of the large estate—funeral expenses, likewise

debts—the last month's bills, expenses of the last illness—comprise a large part of the expenses of the small estate and a negligible part of the large. In many of the small estates, the item of cash is large because it is perhaps almost all the estate, except household furniture and a few personal effects.

Cash Doesn't Provide For Any One of Three Items

It will again be noted that in none of these cases does the cash left provide for any one of the three items of shrinkage—administration expenses, debts or taxes, and it is utterly insufficient to liquidate all of them. It is obvious that if more life insurance were left for the executor, more cash would be available, the administration of these estates would be far more effective, the loss would be less and the return to the heirs would be greater.

Obviously no trust officer likes to report to the widow or to the family that owing to the unfortunate condition of the estate the result is disappointing or that there is little or nothing left.

If due to the wise counsel of the trust company in suggesting the provision of a sufficient amount of cash to the executor through life insurance, the result is more satisfactory, the service rendered to the trust company is greater and the financial return is larger; for the larger estate, the more profitable it is to administer; and if there is ready cash left, the administration is easier.

Note that in the estate of \$2,500 the cash left covers the entire shrinkage, while in the \$10,000,000 estate it is utterly inadequate.

Smaller Estates Are Not Profitable To Trust Company

Another survey of a group of 84 estates of persons, largely foreigners, given by a Pittsburgh trust company, shows that the chief item of the estates, in many cases almost the sole item, is cash.

Every trust officer knows that the comparatively small estates are not profitable to a trust company, and if administered at all are taken as a matter of duty or because a trust company does not feel that it can properly refuse business.

If these small estates, difficult of administration, and not offering any large money return to the trust company, were supplied with ample cash, a large number of such estates that are now either refused or unprofitable would become profitable to trust companies.

With Cash to Pay Debts Problem Is Simplified

Trust companies will answer the question themselves as to whether, if sufficient cash were left to pay all debts, the administration of even comparatively small estates would not be profitable; for it is obvious that in the case of the small merchant or professional man, where there is not a ready market for the business or other assets, the administration of these estates is not only unprofitable but troublesome. Many trust companies either do not welcome or decline these small estates with frozen assets of questionable potential value without enough cash to work them out.

These results, shown by the foregoing illustrations, of course, do not include life insurance payable to a named beneficiary. Perhaps the fact that many persons rely upon life insurance payable to wife or children, to pay these administration expenses and debts, has

caused both life underwriters and trust companies to overlook the necessity of providing life insurance for the executor, in addition to what is provided for the family.

Wife's Insurance Should Not Go to Pay Debts.

A man who carries a policy for \$10,000 or \$50,000 payable to his wife or children, surely does not expect to obligate his wife to use this life insurance to pay the debts of his estate. Not only is the named beneficiary not legally liable for these debts, but in many cases it is a sore disappointment for the wife to feel that it is absolutely necessary for her, in order to protect the estate, to take money from her own generally hopelessly inadequate life insurance, or from that of the children.

If nothing further should come from the co-operation of life underwriters and trust companies than to promulgate the idea that a man should not be an Indian giver, that he should not force his wife to take her life insurance—the amount of which he has probably told her with some pride—to pay the expense even of burying him and to pay his personal debts, much will have been accomplished.

Estate Is to Maintain And Preserve the Home

The estate of most men is for the purpose of maintaining and preserving the home. His liquid assets, including cash; his interests in business or stocks of considerable value; his slow assets, unproductive real estate; frozen assets, and last of all, his earnings, as shown in the outer circle, are for the purpose of maintaining his home and taking care of his family, whether living or dead.

But under present and recent federal and state estate tax legislation what happens? His entire estate becomes an appendage of the state. But this is not the worst. The estate now comes under the control of the government. The picture would probably have been more accurate had we from ten to 46 state houses besides the national capital now attaching the estate, which instead of being attached to the home is attached by government. The state does not exact a proportion of each kind of assets.

His earnings, generally the principal and almost always a large portion of the family income, have irretrievably disappeared.

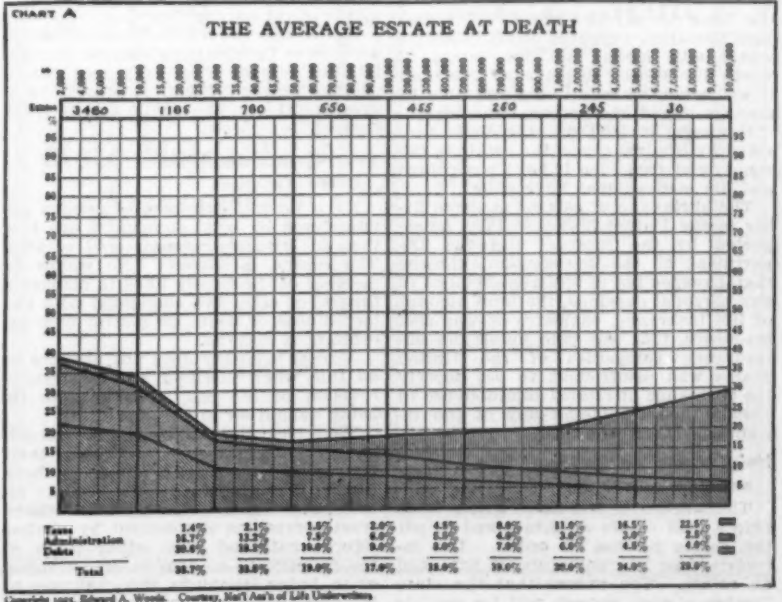
State Is Worse Than Preferred Creditor

The state is worse than a preferred creditor. It takes the very heart out of the estate before even the widow and orphans receive a dollar, or before any bequests can be paid and often before even debtors can be paid. It is often almost a Shylock demanding generally not only all the cash there is but often requiring the sale of all liquid



ORVILLE THORP, Dallas, Tex.
Former President National Association

assets, regardless of market prices and often the forced sacrifice of other not readily marketable assets, and this just at a time when the estate can least afford to lose anything. The very death of the creator of the estate has given public notice that the assets must be sold to meet debts and taxes; his knowledge of his affairs and ability to administer his business and even market his assets have gone; and the state, forgetful of even the traditional duty to care for the widow and orphan in the time of their affliction, steps in ahead of everybody and exacts cash and cash only. In England a class of estate values, following the precedent set by



the government, has lately grown up who make it their business to buy up such estate assets at an unholy profit.

Life Insurance Puts

Heart Back in Estate

Life insurance brings by the very death that produced these exactions cash back into the estate—puts the heart back into the estate.

The data furnished has shown how rarely does any man of wealth keep on hand, especially at the time of his death when preceded by some days or weeks of illness his bank account is more likely to be low than high, enough cash anywhere nearly to meet this sudden demand.

What these losses and the tendency on the part of state and government to increase inheritance taxes and estate

generally only an excuse and arises more from mental laziness than anything else. Obviously, everybody ought to make a will, and to make a will requires the appointment of an executor, which in almost every case should be solely or jointly—preferably solely, but better jointly than not at all—the trust company.

Should not the efficient life underwriter urge, in providing insurance, in order that it may do its work, persons to make wills? The educating of the public to make wills would be not only a great service to the community, but would bring more business to the trust companies.

Trust Companies Should Show Advantage of Service

Figures gathered from the experience

The leading trust companies throughout the country could furnish on a form similar figures showing the gross estate, net estate, and the cash left, so that data could be given not only from the country at large but from each community. This need of more money would then be shown by actual local experience. This would be a very great service as nothing is as convincing in any community as data gathered from local experience, and if life underwriters and trust company officials would furnish such figures not only from their own experience but from the gross estate, net estate and cash left in estates privately administered—(figures can easily be gathered from the office of the clerk of courts, registrar of wills, as the public official is variously known)—very valuable data could be furnished the public both by life underwriters and trust company publications.

will certainly terminate, are insured but one-tenth of their value.

Many a man has directed with some pride that his just debts be paid by his executor. Even if he does not actually say it in his will the law so compels it. There are few men who would send word to their wives to pay large sums without providing the money for them. Yet no one knows better than the officer of the trust company or the life underwriter in how many cases the legal requirement that debts must first be paid is not made possible by providing the means to do it.



WILLIAM A. SEALE
Assistant to President National Assn.

Is it not the common interest and duty of life underwriters and trust companies to tell the public how this could best be done?

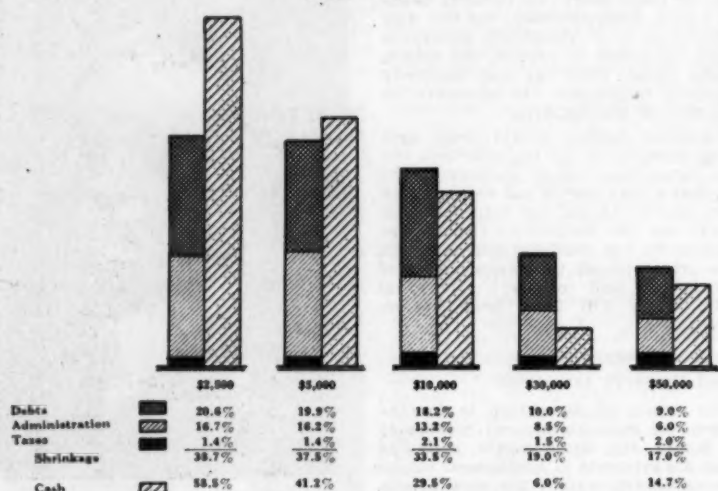
Trust Companies and Agents Should Co-Operate

Why should not the trust companies of the United States make use of the army of 150,000 life underwriters, whose daily business it is to discuss the creation of estates or their conservation, who in daily soliciting lead their prospects or clients in spirit right by the trust company door? Is it not our common interest to co-operate, that the life underwriter's job may be more completely done, and that the insurance provided at the self-sacrifice of the insured, and by the diligent effort of the underwriter in effecting it, shall serve its purpose? Why should not the trust companies, who as a rule do not have solicitors, utilize without cost to themselves the interested service of 150,000 life underwriters?

PLATE B

SHRINKAGE IN ESTATES AND CASH CONTENT

\$2,500—\$50,000



Copyright 1925, Edward A. Woods. Courtesy Nat'l Association of Life Underwriters

taxes will cost future estates, every trust company or shrewd business man can but surmise.

If such periods as 1893, 1907, or anything like them occur, when even good assets are not marketable, estates absolutely solvent with sufficient cash provided, may be rendered entirely insolvent by not only the amount taken by the federal and various states governments for taxes, but by the way it is done.

Estate Worth 20 Per Cent Less Than When Living

If, for example, a man leaving an estate of \$1,000,000 should leave, as very few men do, \$200,000 of actual cash in the bank to pay the taxes, debts and administration expenses of his estate, it would still mean that his estate is worth \$200,000 or 20 per cent less than it was when he was living and able to manage it and had personal earnings.

However, if \$200,000 of cash is provided by life insurance, the estate is the same or at par, even if he, his earnings and his management have gone.

The shrinkage of estates of those dying in the United States in 1920, as reported by the Internal Revenue Department of the government, showed that irrespective of the replacement of any personal earnings, the total amount of life insurance, exclusive of war risk insurance, that was paid by all the life insurance companies of the United States was insufficient to pay merely the shrinkage of estates administered in 1920 without replacing any of the incomes of those who died.

Help Create An Estate and Put It in Order

The work of a life underwriter is to help a man create an estate and to put the estate he has in order. The intestate man has not properly arranged an estate. The excuse that the state "makes a good enough will for me," is

in the county of Allegheny show graphically the advantage of having estates competently administered by trust companies. If trust companies throughout the country would gather similar figures, the service rendered to trust companies by life underwriters in informing the public of the advantage of having the competent administration of trust companies would be very great.

This work not only could be done by the 150,000 trained solicitors of life companies, but it could be done more wisely by them than by trust companies themselves. Trust companies may not desire to antagonize the private executors, or in some cases, incur the criticism of those who desire the personal appointment as executors.

But if life underwriters can disseminate these figures in talking to the millions of persons who every year create estates through them, it would be a great service to the public and to trust companies as well.

Trust Companies Hold Down Expenses

Even funeral expenses of estates administered by trust companies are less than in privately administered estates. The reason is obvious. No widow or member of the family likes to dispute a funeral or other bill connected with the last illness or death no matter how exorbitant it may be.

A trust company does not hesitate to do this when justified and suggests a revision of the bill, preferably to its being submitted to the court.

That trust companies are not receiving a volume of business earned by their virtues and capacities is shown by these figures taken from Allegheny county estates, and which we should like to have trust companies supplement by similar figures gathered from other parts of the country, to be sent to Mr. Mershon or to Judge Hennings, the chairman of the committee on insurance trusts.

Promoters Seek Money of Widows

It is well known that the life insurance companies have had to stop publishing lists of claims paid because these lists are eagerly sought for by persons not desiring deliberately to defraud the widow or family, but unduly anxious to secure capital for investments that no trust company would recommend or permit.

Life insurance companies, general agencies, and agents have been offered considerable sums by promoters of various kinds because the widow desiring a much larger income than can possibly be afforded through a safe investment of the estate, is tempted to invest in funds that no trust company would permit.

The inadequacy of the amount of insurance left to replace the capital value of American lives is shown.

It is obvious that if more life insurance had been provided not only would the total amount of estates left to administer have been greater, but the increased life insurance being paid in cash would have made this administration easier.

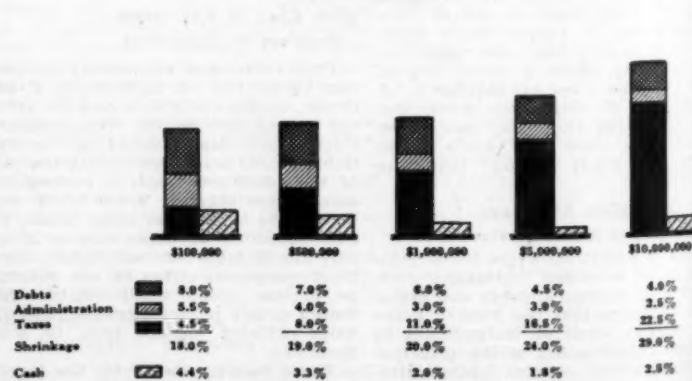
Americans Place Higher Insurance on Property

That Americans have been more accustomed to place a more adequate value upon their property, which loss falls upon the individuals personally, than upon the entire greater loss of life, is again shown by the comparative amounts of life insurance and fire insurance carried in the United States. It is very likely that the value of combustible property of the country does not greatly vary from 175 billion dollars, and yet, while the probability of any given building burning is very remote, it is insured for practically 50 per cent of its value while the lives that

PLATE C

SHRINKAGE IN ESTATES AND CASH CONTENT

\$100,000—\$10,000,000



Copyright 1925, Edward A. Woods. Courtesy Nat'l Association of Life Underwriters

Grow with
Pearson & Larson
the Growing Agency

We believe Kansas City is a good place to live and work in. It is a growing metropolis. In the progressive agency of Pearson & Larson your growth and prosperity will be limited only by the extent of your capabilities and ambition. If you have confidence in your own ability, Kansas City is the place for you.

PEARSON & LARSON

630 Scarrett Bldg. Kansas City, Mo.

1843



1925

J. F. TROTTER

Manager

KANSAS CITY AGENCY

The Mutual Life Insurance Co.
of New York

8th Floor Sharp Bldg.

Tel. Main 2324



KANSAS CITY Agents are mighty glad to welcome delegates to the National Life Convention. They feel that great honour has been conferred on them, and that this is the best convention that has ever been held.



Kansas City offers live insurance men wonderful opportunities. General Agencies on this page are well established, high grade concerns, and offer excellent facilities. Men operating through them are succeeding in a big way.

Don't forget to drop in and see us whenever you are in Kansas City. We'll always be glad to welcome you.



The
Kansas City Agency
of
The Bankers Life Company

of Des Moines, Iowa

extends a hearty welcome to every delegate and insurance man to visit and make themselves at home in our offices.

R. G. HAKE,
Agency Manager

513 RIDGE ARCADE BUILDING
Kansas City, Mo.

D. M. SKINNER

General Agent

Aetna Life Insurance Co.

410-418 Rialto Building

Life — Accident — Health

WILLIAM L.
SCHARLES
GENERAL AGENT

**State Mutual Life
Assurance
Company**

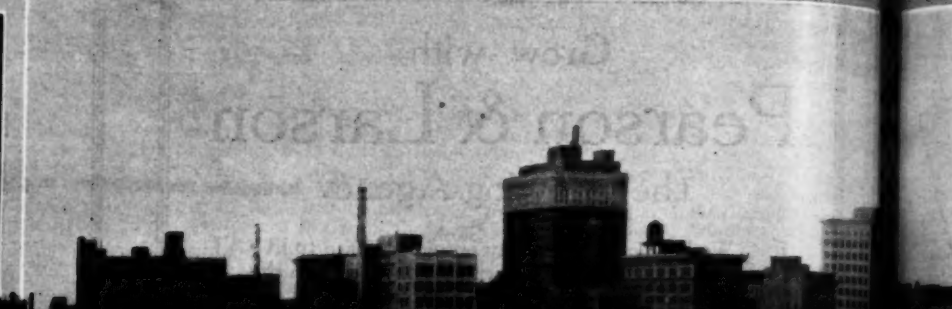
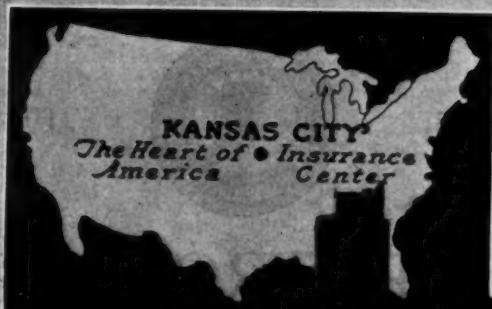
Worcester, Mass.

TELEPHONE 572 MAIN
700-1-2 Victor Building
KANSAS CITY, MISSOURI

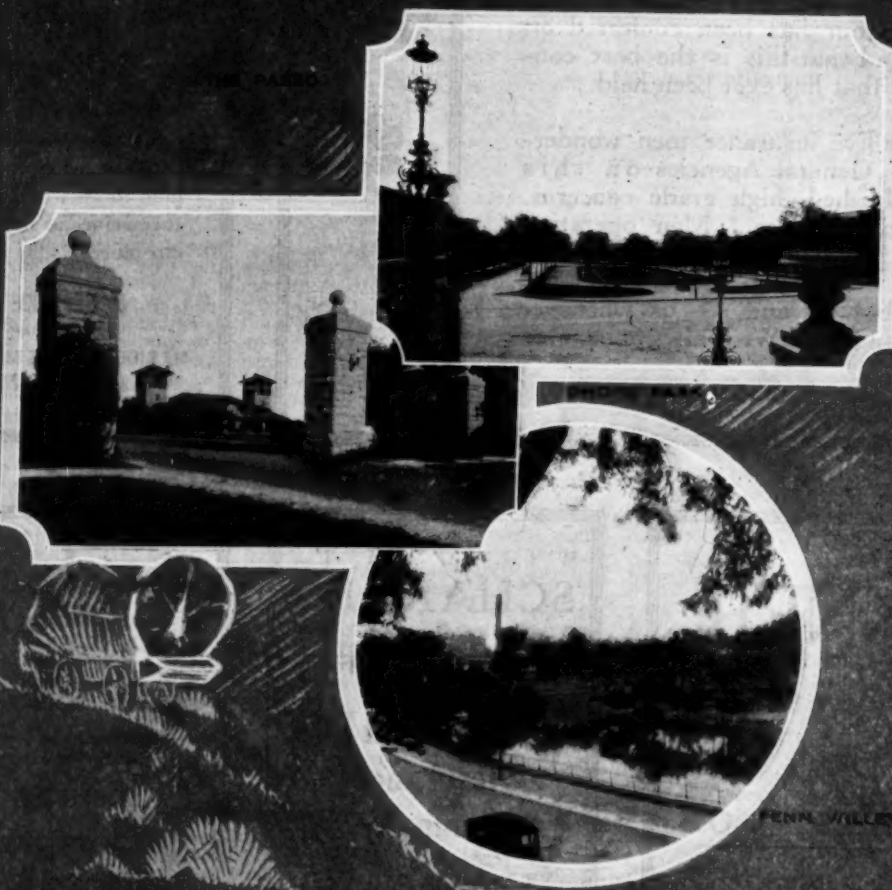
Chas. L. Scott
Manager

**Massachusetts
Mutual Life
Insurance
Company**
of
Springfield, Mass.

601 Continental Bldg.
Kansas City :: Missouri



Kansas City



A Life Insurance

IN a young community like Kansas City, where the Santa Fe Trail and trade routes meet, it is not surprising that life insurance companies have necessarily have come within a recent span of years. Yet, in this brief time, Kansas City has been able to reinforce its position in the future.

You, who are here attending the convention, are interested in knowing the volume of business being done. Our home offices are in Kansas City and corresponding offices are maintained in Kansas City by other legal reserve companies.



At the close of business December 31st, 1924...	old line legal reserve companies had insurance in force, 1924.....
Received in premiums, 1924.....	
New insurance written in 1924.....	
Death claims paid in 1924.....	
Paid to living Policyholders, 1924.....	
At the close of business December 31st, 1924...	offices in Kansas City.....
Insurance in force, 1924.....	
Received in premiums, 1924.....	
New insurance written in 1924.....	
Death claims paid in 1924.....	
Paid to living Policyholders, 1924.....	
Insurance in force December 31st, 1924.....	and four
Premium income, 1924.....	
New insurance written, 1924.....	
Death claims paid in 1924.....	
Paid to living Policyholders, 1924.....	

More than four hundred individuals regularly insure with life insurance companies. More than two thousand persons are representatives of the business. Its geographical position, its resources combine to favor this city. Life insurance companies maintaining their home offices here have a character and extend them the same as that exists in Kansas City.

KANSAS CITY LIFE INSURANCE COMPANY

J.B. REYNOLDS - PRESIDENT

BUSINESS MENS ASSURANCE CO. OF AMERICA

W.T. GRANT - PRESIDENT

at Day

Welcomes You

Life Insurance Center

City, which meet people who once traveled behind yokes and trade, the development of life insurance must necessarily span the city as a life insurance center and promises well.

The National Association of Life Underwriters, may be the legal reserve life insurance companies whose business done by the sixty-six local branch offices companies. Following are the totals:

Old line legal reserve life in-	\$ 366,695,962
1924.....	9,589,530
1924.....	86,459,454
1924.....	1,338,074
1924.....	1,805,823
Branch offices in Kansas City had	1,236,395,000
1924.....	37,080,119
1924.....	131,566,008
1924.....	9,888,349
1924.....	17,649,000
1924.....	1,603,909,962
1924.....	47,669,649
1924.....	218,025,454
1924.....	11,226,423
1924.....	19,454,825

Individuals regularly in the four home offices here. Representatives of these four companies in the field. The development of the life insurance industry and the richness of its natural life insurance center. The four companies and other institutions of like kind exist all the time amongst the competitors in Kansas City.



NATIONAL FIDELITY LIFE INSURANCE CO.
RALPH H. RICE - PRESIDENT

MIDLAND LIFE INSURANCE COMPANY
DANIEL BOONE - PRESIDENT

An Old City of New
Opportunities
**Come By and Visit
The New St. Louis**
J. F. HATHAWAY
Manager
The Mutual Life of N. Y.
St. Louis, Mo.
Capital of the 49th State

Recently voted \$87,000,000 for
Municipal improvements.



St. Louis Agency
of
**Phoenix Mutual Life
Insurance Co.**
of
Hartford, Conn.
EDWARD J. BURKLEY
Manager
12th Floor LaSalle Bldg.

One hundred and fifty-six new
industries located in this industrial
district during the past five years.

**Warren C. Flynn
and his Associates**
**Massachusetts
Mutual**
in St. Louis
Extend Greetings

St. Louis manufacturers ship From
the Center—Not the Rim.

St. Louis

Unsurpassed Service
Extended to
Agents and Brokers
of Responsibility
ARTHUR L. McKNIGHT
General Agent
**ÆTNA LIFE INSURANCE
COMPANY**
533 Pierce Building
St. Louis

Largest market in the world for hard-
ware and woodenware, stoves, ranges
and furnaces.

HOME of some of the strongest
General Agencies in the coun-
try. We are proud to have had the
National Life Convention in the great
State of Missouri. We wish it could
have been held in St. Louis, but as
that was not possible, we are glad
Kansas City was its host.

We extend sincere greeting to the
National Association and to Kansas
City.

You are always welcome at St.
Louis.

NATIONAL LIFE
of
Vermont
FRED T. RENCH
General Agent
403 Boatmen's Bank Bldg.
St. Louis

Largest market in the world for boots
and shoes, raw furs, horses and mules,
hard wood and pine.

**The Columbian National
Life Insurance Co.**
Arthur E. Childs
President
Boston, Mass.
Life - Accident - Health
Insurance
**THE GEORGE L. DYER
COMPANY**
George L. Dyer, Gen. Agt.
705 LaSalle Bldg.
St. Louis, Mo.

St. Louis has twenty-six railroads
"to everywhere."

St. Louis Agency
**Penn Mutual Life
Insurance Co.**
of
Philadelphia
FISCHER & FISCHER
General Agents
316 North Eighth St.
St. Louis

St. Louis has ten weeks' season for
Municipal Opera, the auditorium
seating over nine thousand persons.

St. Louis Agency
**Equitable Life
Assurance Society**
M. A. NELSON
Agency Manager
Equitable Bldg.
St. Louis

St. Louis University and Wash-
ington University located here—
two of the largest educational
institutions in America.

Insurance Trusts Clearly Analyzed

Needs of Cooperation Between Life Insurance and Trust Companies

By A. C. ROBINSON

President Peoples Savings & Trust Company, Pittsburgh

CAN two walk together except they be agreed."—Amos 3:3.

I was brought up a member of an old school Presbyterian family to which two sermons on Sunday, one in the middle of the week, and the memorizing of the Shorter Catechism and large portions of the Bible were no hardship, but rather a pleasure. I have never forgotten this training, nor have I ever missed the frequent but hypocritical exhortation for neglect of religion in later years that early experiences were so severe as to repel. I have fallen far from the religious observances of my parents, but at least I have not lied about the reasons. But one thing sticks from my church going, and that is the desire when I speak publicly to have a text, and in the present case what I have just quoted seems singularly apposite—"Can two walk together except they be agreed."

Greater Work in Cause of Thrift

You numerous representatives of insurance and we few bankers gathered here today stand for the two greatest forces in promoting and maintaining one of the most important fundamentals in the progress of civilization. Separately we have done great things, but some of us have had visions of greater service for our fellow citizens, for our nation, and for the world, if we join our forces and walk together. This means no surrender of individual independence or invading the other's rights and domains, but it does mean hearty and intelligent cooperation along certain lines. Cannot we each agree one with the other for the pooling of our knowledge, our wisdom, our experience, and our effort, inciting each of us to better and more fruitful work in the great cause of thrift. That large personal profit seems assured from such cooperation in no way detracts from the value of our work, or its high and disinterested ideals and its noble purposes. Let us first be agreed that it is a good thing for others as well as ourselves that we walk together, and then let us walk toward the great goal.

The basis of life insurance and trust company cooperation is human need. No service can endure, nor should endure, which does not meet this requirement. It must be mutually profitable to all parties. Until recently, trust companies and life insurance companies have been traveling parallel trails of service—the life insurance companies supplying the money to discharge obligations which death did not liquidate—the trust companies supplying business management and conservative judgment, factors of safety which cannot be bequeathed but which are imperative when permanent happiness and contentment of beneficiaries is the objective.

The growth, both in the life insurance business and in the trust business, operating independently, is substantial proof of the need of coordination, because both kinds of service are bought with but a single desire. Does not this simultaneous growth answer conclusively the need of cooperation? If thinking men and women will pursue two paths to consummate their ambition to discharge adequately their after-death obligations, it is pertinent to inquire how much greater will be the beneficial results if the trust companies and life insurance companies cooperate to offer the desired result in preconceived and coordinated combination.

Converts Good Intentions Into Guaranteed Value

To name a good trust company as executor is to bequeath experience and sound judgment.

Adequate life insurance permits men and women, by payment of a small percentage of their incomes, to create es-

tates of guaranteed value, payable to themselves later in life or to named beneficiaries at their death. An estate so created is independent of any adverse conditions existing at the time the insurance policy matures. Life insurance converts good intentions into value payable immediately upon death, in cash.

Ambition always thinks in terms of tomorrow. Too frequently, ambitious men and women, driving for their goals with clear and sound conceptions, are cut off by death before their visions are realized, leaving behind them tangled threads difficult to weave into finished patterns.

Courageous people are prone to pursue ambitions, sure of every factor except that of time. Their present vigor and good health cause a disastrous under-valuation of time as a major factor in the fulfillment of ambition. The result is: the projects with magnificent sub-structures and potentialities wither and decay upon the death of the architect because his blue prints are locked in his own mind and death wipes out the building fund represented by his earning power.

Replaced Earning Power and Personal Ability

A trust company is the nearest approach to personal ability that can be secured for the management and growth of an estate.

Life insurance is the best and surest way of replacing earning power. Life insurance linked with trust company service combines replacement of earning power with personal ability.

The creation of an estate is merely a half way stop to those who are thoughtfully solicitous of loved ones. Experience has taught individuals capable of accumulating wealth the difficulty of conserving wealth when created. This thought is admirably expressed by the late Judge Thomas Mellon: "According to my experience, it is more difficult to keep wealth, when you have it, than to accumulate it. Fluctuations in value, panics, unjust laws, mal-administration of justice, frauds, accidents and the constant importunity of schemers, as well as grinding taxation and other influences, tend constantly to the disintegration of wealth. More especially is this so at a period of life when the masterly spirit is weakened and the stimulus of success no longer allures to renewed exertion and we are more inclined toward repose than activity. In that condition we are more likely to lose than gain. I now no longer wonder at so many of my business contemporaries having acquired wealth in the prime of life and letting it slip through their fingers in old age. Without prudent children or others to guard it, it is a natural consequence that a man's wealth

will begin to waste away with his mental and physical energies.

Shift Burdens to Inexperienced Shoulders

Men work and worry so that their loved ones may not have to. They want their property handed down as nearly intact as possible. Yet, by the simple omission of making a will and naming a safe and competent executor, they shift to the shoulders of those whom they wish to protect new burdens beyond the scope of their experience and create needless expenses which must be charged against the estate.

Here is where the trust company functions.

The advantages of trust company executorships and trusteeships for estates are many. The trust company does not die. It has the ability and experience, working under the direction of a will, or trust agreement to work out in its remotest ramifications the wishes of the testator. It is important to remember that the most disastrous thing that could happen to many estates will be immediate liquidation. Here is where trust company executorship can stabilize the factor of time, always uncertain in the calculation of an individual. The most serious objection to the appointment of an individual as an executor is the possibility of death before the completion of his duties. This contingency nearly always gives rise to much confusion and expense. To complete the unfinished work the court is then obliged to appoint an administrator who must be paid in addition to the old one. Such possibilities, never remote, decrease the value of the will. The new executor may be out of sympathy with the loved ones whom you wish to protect.

Advantages of Trust Company Executor

The ideal executor is the trust company. It is fully responsible for its every act to the extent of its capital and surplus. It never takes a vacation and it is ready to do business when there is business to be done. Being especially organized to manage estates, it avoids many expenses by reason of its experience. Annoying and expensive details, requiring much of the time of an individual are matters of daily routine with the trust company. Every cent is accounted for by methods of modern accounting; nothing is left to memory. Each transaction is a matter of record. Its judgment, in the matter of investments and values, is expert. It carries out provision of wills without partiality or fear of giving offense to those who may seek favors to which they are not entitled. Because of its experience and financial connections,

it is frequently capable of increasing the value of estates under its care. The business experience of its organization, with the accounting, real estate, bond and other carefully chosen business and professional experts, is at the disposal of the heirs. It functions in full sympathy and with human understanding of loved ones, consistent in every possible way with sound business principles. It has an experience in administering many estates, and has already encountered problems with which the inexperienced executor may not be familiar. It turns a deaf ear to the plausible promoters of "good things" and "ground floor" propositions. It lends the strong arm of ripe experience to the widow and others unskilled in business practices. It sees that estates are not dissipated by extravagance. In



DON L. STERLING, Dallas, Tex.

short, the modern trust company permits your loved ones to enjoy the ripe fruit of your labor without the millstone of detailed business management.

Importance of a Life Insurance Trust

To be well sold the life insurance trust must be well understood.

The importance of a life insurance trust is not fully understood. It answers the yearning which thinking men have for the ultimate protection of their loved ones. Wherever it is presented with intelligence, the idea is accepted without reservation. The average man of affairs knows that life insurance does not discharge his full obligation, because his experience indicates to him that mere money is too often a legacy of sorrow unless safeguarded by mature and solid business judgment.

Being human, and thus hopeful, with facts distorted by sentiment, too frequently successful men of affairs hazard the ultimate conservation of their estates in a manner such as they would scorn in even a minor business situation affecting a present problem. It is a

J. STANLEY EDWARDS
GENERAL AGENT

ROCKY MOUNTAIN AGENCY

AETNA LIFE INSURANCE CO.

FIRST NATIONAL BANK BUILDING

DENVER, COLORADO

selfish and dangerous generosity which concedes business ability where it does not exist, and yet how many splendid minds in the business world shoulder upon their heirs questions of finance and judgment which are perplexing even to their own experience.

Disqualify the Shirt Sleeve Adage

This tendency will die as the life insurance trust becomes more generally understood. It can be the province of a life insurance trust to disqualify the adage, "Three generations from shirt sleeves to shirt sleeves." There can be no question that the successful propagation of this modern instrument of safety rests largely with the life insurance underwriters of America. Properly, it belongs to them, because, aside



A. C. and RALPH E. LARSON,
Madison, Wis.

Ralph E. has recently joined his father in the sales department of the big Wisconsin state agency of the Central Life

from its altruistic aspects, it is a direct creator of new business with its contributing profit.

I regret that the trust companies of America are equipped, neither by experience nor organization, to sell, in a manner worthy of its importance, the vitalness and magnitude of the insurance trust idea. Speaking as a whole, it is no indictment of the capacity of American trust companies that they do not have merchandising instincts, because the whole nature of their business, up to the present time, has been one of watchful waiting.

The ancient prejudice against bank advertising has had much to do with keeping the brake on the wheels of progress. But during the last five years this attitude has changed, with the result that throughout the length and breadth of the land banks are finding that advertising does pay, and nowhere more effectively than when those with fiduciary powers advertise the insurance trust.

Job Rests on Trained Ability of Underwriters

But the burden of this job rests upon the trained ability of you life insurance men, working in cooperation with the trust companies, because the sphere of the trust companies' influence does not approach the magnitude of yours.

It is a problem of personal relationships. Its success depends upon the intimacies of life, born of friendship and belief. While a vital problem to business, it is steeped in sentiment. It projects the minds of men into realms where heart strings are tugged. It is suggestive of unknown tomorrows, with all the forebodings and hazards which experience has created in the perspective of thinking men.

It is a sales problem calling for tact and delicacy, and no one is more thoroughly equipped to handle it than the life insurance men of America. In order to handle it worthily, there should be wide and thorough knowledge on the part of the life underwriters of America

as to the full potential of the life insurance trust.

Underwriters Need Broad Knowledge of Facts

It is not the province of the life insurance underwriters to delve into technicalities, but their knowledge should be broad and comprehensive enough to create the desire for action on the part of the prospect, and to this end it is necessary that they be thoroughly informed in the many ways a trust agreement can serve their clients.

It is essential that they know the difference between a funded and an unfunded life insurance trust. A funded life insurance trust, briefly, is one where the interest from deposited securities maintains premiums on the deposited insurance policies, the proceeds of which, at maturity, will further augment the trust estate. An unfunded life insurance trust is one where the owner of the policies makes them payable directly to a trust company as trustee, usually himself attending to the payment of the premiums.

Trust Agreement Is A Simple Document

Life underwriters should understand how elementary and simple a trust agreement is. It should be impressed upon them, that they may impress upon their clients, that such a document is barren of legal phraseology, usually being a simple statement as to how the proceeds of the life insurance policies are to be distributed. It should be thoroughly understood that under the terms of a life insurance trust full or restricted authority may be delegated to the trust company. That is to say, the owner of an insurance policy may permit the trust company to use its own discretion as situations arise, or he may issue specific, unbreakable instructions, which must be carried out without deviation by the trustee.

It can be easily changed to meet new conditions. This matter of flexibility should be thoroughly understood, because it breaks down one of the great points of sales resistance. The average man, in a matter so important, usually does not like the seal of finality, when time may bring so many contingencies to alter the immediate perspective.

The erroneous impression about trusts, and legal procedure of all kinds, is that they are final and irrevocable—a fallacy which must be combated before general popularity of the trust idea can be secured.

Avoiding the Danger of Litigation

Another selling point for the life insurance trust is its ability to avoid litigation. The insurance trust takes the place of a will, as relates to the proceeds of insurance policies. It does not have to be probated, and it cannot be contested, as in the case of a will. This is a matter of first moment, and to emphasize this salient feature will be to relieve the anxiety of many men whose domestic relationships make possible a long and expensive litigation were the estate disposed of under ordinary will.

The insurance trust is a direct instrument, automatically effective, without expense or publicity, immediately at the death of the maker.

To men of action, this fact should make big appeal, especially when it is pointed out to them the ever present hazard of attempts to misconstrue wills by disgruntled heirs, with all the tedious delay, expensive litigation, and injustice to rightful heirs which such action involves.

What about its cost? Life insurance men should be advised about costs, because thoughtful men are always concerned about costs, especially when they are only half sold on an idea. Insurance men should make it plain to their prospects that the matter of cost can be predetermined by arrangement with the trust company. It is not generally known, I feel sure, how exceedingly reasonable this cost is, and I earnestly suggest that the insurance

men of America go to their local trust companies to ascertain from particular cases how nominal is the cost, in relation to the splendid service rendered.

Trusts Can Be Augmented By Other Assets

Another point in the selling, which should have great appeal to the minds of orderly business men, is the unity which is possible under a life insurance trust agreement. A life insurance trust permits the pooling of assets, under central authority, and a dominant idea. Prospects should be informed that a life insurance trust can be augmented not only by the proceeds of life insurance policies but also by the addition of other securities from time to time, during the life of the maker or after his death, an extremely important fact, because it puts the creation of an estate on a progressive basis, constantly subject to revision during life time, and instantly ready for efficient action at death.

Help Solve the Problem of Taxation

The life insurance trust, in relation to inheritance taxes, should be thoroughly understood by life underwriters, in order that the services of the trust company in this relation may be generally understood. The usual \$40,000 tax exemption which prevails when a life insurance policy is made payable to a designated beneficiary, holds when a trust company is named under a trust agreement. In addition to this, the peculiar position of the trust company, in relation to tax knowledge and procedure, should be intelligently presented. By reason of its association with large estates and its daily contact with tax laws and rulings, it is frequently able to have for estates under its management considerable sums in taxes which would probably be paid were the estate being managed under the direction of a personal executor.

This holds true particularly in large estates, where the danger of controversy with the internal revenue office is always possible. The tax experts of large trust companies have at their finger tips all the precedent and rules which are employed for the benefit of estates under its jurisdiction.

Long Range Administration Is Objectionable

Life insurance men should be thoroughly informed about the limitations in life policies which provide for annual payments over a period of years. It is not the province of life insurance companies to extend their influence beyond the maturity of their contract which provides the cash. Life insurance companies recognize this. Their interests are complementary and not conflicting, a fact which should be thoroughly understood. Life insurance companies have an altruistic desire to see safely conserved the funds which they provide. They are concerned, not only from an altruistic point of view, but from an economic point of view, because the dissipation of accumulated capital in such sums is a matter of first moment.

It is not the province of life com-

panies to administer. There can be no successful management at long range under inflexible rules, which would have to be the basis were life insurance companies to attempt to go beyond the point of providing funds. Regardless of their desire to see the proceeds of their policies successfully engaged in perpetuating the happiness of beneficiaries, they cannot go further than they have gone without establishing fiduciary organizations throughout the country akin to the trust companies, capable of administering at close range, and with personal knowledge of local conditions and situations. This, of course, would be impossible, and the hearty accord with which the principal companies are entering into cooperation with the trust companies of America is eloquent testimony to



JAMES W. EDGERTON, Trenton, N. J.

the lofty idealism which reigns in the administration of American life insurance.

The tremendous growth in the sale of life insurance may be attributed to the quickening desire on the part of responsible Americans to shield their loved ones from the hazards of tomorrow. To me, this fact is eloquent contradiction to the tommyrot about national decadence. America is the best insured country in the world. While by no means sufficiently insured, the doctrine is growing with cumulative force. It is fast becoming a national

THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

Published every Friday by THE NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati and New York, EDWARD J. WOHLGEMUTH, President; JOHN F. WOHLGEMUTH, Secretary; H. E. WRIGHT and NORA VINCENT PAUL, Vice Presidents; WILLIAM A. SCANLON, Southwestern Manager; FRANK W. BLAND, GEORGE C. ROEDING and O. E. SCHWARTZ, Associate Managers.

C. M. CARTWRIGHT, Managing Editor; HOWARD J. BURRIDGE, Associate Editor; FRANK A. POST, Associate Editor; R. C. BUDLONG, Associate Editor.

PUBLICATION OFFICE, Insurance Exchange, CHICAGO. Telephone Wabash 2704. CINCINNATI OFFICE, 420 E. Fourth St., Telephone Main 5781. RALPH E. RICHMAN, Manager. E. R. SMITH, Statistician. ABNER THORP, JR., Director Life Insurance Service Department.

NEW YORK OFFICE, 80 Maiden Lane, New York; Telephone John 1032. GEORGE A. WATSON, Associate Editor.

NORTHWESTERN OFFICE: 307 Iowa National Bank Bldg., Des Moines, Iowa. Tel. Market 3957. J. M. DEMPSEY, Manager.

PACIFIC COAST OFFICE—369 Pine St., San Francisco, Cal. Tel. Kearney 6033. Insurance Publicity Bureau, Manager.

Subscription Price, \$3.00 a year; in Canada, \$4.00 a year. Single Copies 15 cents. In combination with National Underwriter (Fire & Casualty) \$5.50 a year; Canada \$7.50.

2nd Day

Little fear need be entertained for the safety of a people who have this tenderness of heart, this sense of responsibility, this ability of self denial, and the desire to project their influence into the future.

Learn Salesmanship From Life Underwriters

Trust companies can learn salesmanship from life underwriters. I believe the life insurance fraternity of America can teach the trust companies of America a big lesson in salesmanship. One of the favorite excuses for lack of trust company growth is the claim that the trust company is selling an intangible service. So are you life insurance men, when it comes right down to it. You are selling a package which, in the great majority of cases, the buyer never sees or never expects to see. You are selling the means of discharging an anticipated moral obligation, in the way of safety, contentment and happiness. The trust companies are selling direction for those means to that end. Both the insurance companies and the trust companies are dealing in futures, with a single objective to be achieved. The trust company idea is just as susceptible to the principles of sound salesmanship as is life insurance, a fact which must be thoroughly understood before the trust companies can hope to come into their own.

Need of Standardized Procedure Is Seen

Another most important matter which you insurance men must settle quickly, before there can be intelligent cooperation between life insurance and trust companies, is the necessity of uniformity in mechanical practice. As the situation now stands, there is much uncertainty and variance in the method to be pursued after the prospect has been sold on the idea. I urge upon the life insurance companies of America to devise some simple and easy method whereby prospects can set up an insurance trust without extended correspondence. My experience indicates that men and women frequently carry their life insurance in various companies, and when they come to set up an insurance trust, the great variance in the methods which must be pursued to make the proper assignments, puts a question mark in the mind of the prospect. One company wants one thing, another company wants something else, all of which tends to establish doubt in the mind of the maker. I think that this point is one of the most important for smooth cooperation between us.

Removing Prejudice Against the Banks

By virtue of your position as a third party, you life insurance gentlemen can do something for the American bankers which needs to be done imperatively. That is to break down the barrier of prejudice which, rightly or wrongly, still lurks in the average mind against the banker. The banker, by virtue of his trusteeship, necessarily must run his business from the head rather than from the heart, and this fact, in its external manifestations, has created a veneer of aloofness and mystery about the banking business which must be removed before the American banker can serve in his fullest capacity.

By reason of your intimate contact with bankers, you know of the lofty spirit which permeates our conception of service. No set of men are better equipped to establish the American banker in the affections of the American people than you gentlemen, and for you to do so is, in my judgment, the highest kind of service, because a close, intimate and friendly association between the American masses and the American banks is a bulwark of economic safety.

Who can gainsay that the American nation will not go very far astray in their financial concepts, and in their pursuit of financial safety and its resultant mental contentment, if it listens to the judgment of the American bankers.

The trust companies of America can recommend adequate life insurance to their clients from a very selfish reason, entirely aside from other considerations. Examination of estates settled by trust companies indicates a very pronounced deficiency in the cash account to liquidate debts which death creates and matures. Adequate cash for inheritance taxes, funeral, hospital bills, current obligations, mortgages, and numerous other debts which will suggest themselves to your experience, frequently force liquidation of prime securities at an inopportune time. When we can persuade our clients to establish clean-up policies, to anticipate liberally these obligations, it gives the judgment of our trust departments wider scope and greater opportunity, not only to preserve but to enhance the value of estates left under its care. This is most important, and from my personal knowledge is resulting in a considerable volume of business for life underwriters. In other words, what finer service than to teach America to die at par.

"Creation Plus

Conservation" Is Slogan

I can think of no better slogan for you underwriters to carry away from this meeting than "Creation Plus Conservation," because these three words summarize the spirit of this meeting. The man or woman who is sold on the necessity of providing adequate life insurance, needs little urging to go a step farther when it is clearly shown by experience that the percentage is against his heirs if the money is left without guidance for its wise use. Am I putting it too strongly when I suggest that failure of a life insurance underwriter to sell conservation as well as creation calls into question his understanding or acceptance of the high idealism for which the institution of life insurance stands. Service which ceases at the point of profit taking is unworthy of the name. What an opportunity to go the extra mile!

Use of Insurance Trust in Business

The life insurance trust has a very intimate relationship with business. It is particularly useful in the case of close corporations, where it is unwise and undesirable for a controlling or a substantial interest to pass into strange hands, which can contribute nothing to the further progress of the company, and perhaps disorganize or defeat mature plans which need time for development. By means of life insurance trusts, maintained from current earnings, equities of the deceased may be purchased for the benefit of the surviving stockholders, without prejudice to his beneficiary and without penalizing the status or ambitions of the company.

"Safety First" for Dependents

The great number of divorces in America, the percentage of which runs as high, if not higher, in moneyed circles than elsewhere, provides an opportunity for a life insurance trust to function. Moneyed men bequeathing daughters a legacy without restrictions always take the chance that the daughter may marry unworthily and have her bequest dissipated. Funds left in a life insurance trust control the situation and eliminate the hazard of destination or reduced circumstances, by transferring control of the principal. Not necessarily does the daughter need to marry unworthily. She may marry most worthily and yet be tied to a man who has no business judgment.

Bequest Insurance

Coming Into Use

A life insurance trust is an ideal instrument for the creation of endowment funds for charitable purposes. It frequently happens that tedious delays occur before funds are received by institutions under wills which are administered in the ordinary way. Witness the Frick case. A life insurance trust permits direct payment of charitable bequests.

There is a growing tendency on the

part of benevolent men to leave funds in a life insurance trust for their charities, extending to the trustee discretionary powers for distribution. This permits the needs of the benefiting institution to be met as they arise. Many thinking men regard this as much superior to the presentation of a lump sum which may or may not be wisely used.

Earning Power of the Life Insurance Trust

Men of affairs, before creating life insurance trust funds, will invariably ask, "What is the earning power of such a trust fund?" It is a fair question and must be convincingly answered. It is true that a trust company cannot guarantee any definite percentage of return on an investment. Edmund Burke says, "I know of no way of judging the future except by the past."

In order to determine just what the average yield is, throughout the country, on funds left in trust with trust companies, L. H. Roseberry, chairman of the committee on research, trust company division, American Bankers Association, and vice-president of the Security Trust & Savings Bank, Los Angeles, has published a survey of statistics which shows that the average yield paid by trust companies to the beneficiaries of voluntary trusts is 5.512 per cent.

Another factor of importance in the sale of this idea was brought out at this investigation—namely, that, with one trivial exception, there was no case on the public records of any of the states where the beneficiary of any trust administered by a trust company had suffered the loss of a single dollar for which such trustee was legally liable.

Another convincing statement, most apropos at this time, I think, is one made by Mr. Conyngton, a distinguished member of the New York City Bar, who says, in his excellent work on "Wills, Estates and Trusts," "As a matter of record, no losses to beneficiaries of an estate have ever been incurred by reason either of the dishonesty of an employee of a trust company or the failure of a trust company or bank." This authentic information comes to us at a time when it is needed most, and proves conclusively that funds left with trust companies are absolutely safe and bear a rate of interest commensurate with absolute conservatism.

Debt Owed to Posterity

The whole matter of cooperation between life insurance and trust companies must be predicated upon unqualified belief each in the other. It is a big problem for big men, directly affecting the continued welfare of the country. Our nation stands in its impregnable

position today, not by virtue of current earnings, but because of capital conserved by our forebears.

Of all our debts to posterity, none is greater than the conservation of material resources, in order that the foundation of material prosperity and individ-



SHERWOOD S. SMITH, St. Louis

ual happiness may be maintained. A major contribution to this is the conservation of inherited wealth, surrounded by safeguards which our mature judgment and experience have developed, and which can be interpreted best, after our death, through trust company administration.

If I can persuade you gentlemen here this morning to take what I have said to your hearts, and interpret these suggestions for the practical benefit and happiness of America, I shall consider my forty years in the banking world not without result.

The Central Life Insurance Co.

FORT SCOTT, KANSAS

INSURANCE
IN FORCE
\$15,000,000.00



ASSETS
OVER
\$2,000,000.00

Oldest Kansas Company

Excellent Agency Opportunities
in
KANSAS - MISSOURI - ARKANSAS

Trust Company Cooperation Told

THE report of the committee on cooperation of life underwriters and trust companies, submitted by Edward A. Woods of Pittsburgh, chairman, was as follows:

Remarkable progress has been made during the past year in the cooperative movement between trust companies and life underwriters. The work of your committee has been carried on hand in hand with a similar committee appointed by the trust company division of the American Bankers Association. These committees have sponsored

Report Offered by National Association Committee Tells Some Notable Results So Far Obtained In That Direction

economic life of the people of the country:

1. They act as executors, administrators, guardians and trustees.
2. They are banks of deposit for checking and savings accounts.
3. They buy, sell and rent real estate.
4. They market sound securities.
5. They rent safe deposit boxes.
6. They give all kinds of confidential, financial personal advice.

These are but a few of their functions particularly of interest to life underwriters. Some trust companies have numerous other functions that do not immediately affect the underwriter but do give the trust company standing in the community.

Close Relationship in the Earlier Days

It is interesting to note that some of the largest trust companies of the United States began as life insurance and trust companies, later separating into two distinct businesses, thus showing an early recognition of the fact that there is a close relationship existing between the creation of estates and the conservation of them. However, it is significant that these institutions separated the two branches of their business and elected to follow either the life insurance or the trust business, but not both. There are certain technicalities peculiar of each which necessitate the best thought and management to insure success to either business, and it has been proved by experience that both businesses succeed best when carried on under separate management. It is very important that both trust officers and life underwriters realize that each institution serves its own purpose without in any way jeopardizing the interests of the other and that only by their hearty cooperation can the greatest possibilities be achieved. After all, the ultimate aim of all life insurance and trust men should be the sound, economic progress of clients and their families.

Interested in Life Insurance for Three Chief Reasons

Trust companies are vitally interested in the institution of life insurance for three chief reasons:

1. Life insurance creates estates, and the principal business of trust companies is to act as executors or administrators of estates. The more life insurance that is left by decedents, the more estates there will be for trust companies to handle. The more potential estates are augmented by the addition of life insurance placed upon clients, the larger the estates will be which trust companies administer.
2. Life insurance furnishes cash to the executor or administrator of the estate immediately upon the death of the insured, thus assisting in its being settled quickly and economically.

Helps Prevent Undue Shrinkage in Estates

3. Life insurance prevents undue shrinkage in many estates by supplying the cash necessary to cover debts, administration expenses and taxes incident to the settlement of estates. Many times where there is little or no life insurance payable to an estate, cash must be raised by the sale of assets and these often bring far below their value in a forced sale. Life insurance proceeds prevent this double depletion of estates and save the administering trust company officers the embarrassment of informing clamoring heirs that there is no cash available in the estate to meet their immediate necessities.

There are also a number of minor advantages that accrue to trust companies indirectly from the cooperation of their officers with life underwriters. Both trust and life insurance companies are conservative institutions interested in thrift and prosperity. In the various services that trust companies render, they are the natural allies of the 65,000,000 policyholders who are cultivating habits of thrift by systematic life insurance programs. These policyholders are certainly potential clients of trust companies in their many departments.

Advantages of Cooperation to Life Underwriters

Intelligent underwriters cannot help but write more business through intelligently cooperating with local trust companies, with whose functions they have familiarized themselves and with whose officers they have consulted. Underwriters who take the initiative in urging trust company administration of their clients' estates gain a ready welcome and hearty cooperation of trust institutions to which they direct business.

The second advantage that life underwriters secure through this valuable cooperation is a certain prestige which stamps them as sound, professional men and citizens of standing in their communities. This is certainly a coveted advantage and one that will result in material as well as intangible rewards.

Underwriters must realize that life insurance companies are limited in acting as trustees. They can exercise no discretion in the disbursing of funds, which is vitally necessary in numberless cases in which life insurance is left by decedents in the 3,065 counties of the United States. To supplement the benefits of life insurance the experienced executors is necessary. These the underwriter has in trust company officers and it is his duty to conserve the insured's estate by having them administer it.

History of Movement Toward Cooperation

The organized movement for cooperation with trust companies was launched but two years ago at our annual convention and it is probably safe to say that already thousands of life underwriters are constantly advocating the various services performed by trust companies as a matter of daily routine. On the other hand, hundreds of trust companies are daily urging more complete life insurance programs upon their clients and are advertising life insurance liberally by means of circulars, letters, daily newspapers and other media. In addition, they are offering their services to life underwriters to aid them in discussing insurance programs and estate conservation with their policyholders and prospects.

The following committee on insurance trusts of the trust company division of the American Bankers Association has been untiring in its efforts to place the advantages of this cooperative movement before trust company officers, bankers, life underwriters, their home office officials and the public: Thomas C. Hennings, vice-president Mercantile Trust Company, St. Louis, chairman; Leslie G. McDouall, assistant trust officer, Fidelity Union Trust Co., Newark, N. J.; Alexander C. Robinson, president Peoples Savings and Trust Company, Pittsburgh, Pa.; Leroy A.

Mershon, secretary, deputy manager American Bankers Association, New York City.

Message Is Carried to All Parts of Country

Great credit is due Mr. McDouall, who has given his talk on life insurance, illustrated by lantern slides, scores of times in cities from Boston to Salt Lake City. Mr. Mershon recently carried the message to bankers, trust officers and underwriters of the middle and far west, after having addressed many meetings in the east. Messrs. Robinson and Hennings have also addressed several very important meetings of bankers and joint meetings of trust officers and life underwriters on the subject of cooperation, its methods and advantages. In many cities trust companies or underwriters have been hosts to each other at dinners or meetings where the problems of each have been discussed and ways and means of cooperation considered. There are some cities where cooperation may be said to be complete, where every trust company is the staunch advocate of wise insurance programs and where underwriters are thoroughly familiar with the services and value of trust company administration of estates which they emphasize to their policyholders and prospects.

The chairman of your committee has addressed five meetings of trust officers and life underwriters, supplementing his remarks in each case with most of Mr. McDouall's slides and his own. On several occasions Mr. McDouall and your chairman have jointly addressed meetings, the most important of which was at the sixth mid-year conference of the trust company division of the American Bankers Association at the Hotel Commodore, New York City, Feb. 18, 1925. Practically the entire day was given over to discussing the various phases of this cooperation. These addresses are reproduced in Insurance Trust Bulletin No. 2, March, 1925, with cuts of the slides used to illustrate the addresses.

Results So Far Achieved from the Movement

Several surveys taken in different parts of the country to ascertain just what has been accomplished from the efforts of the committees show most gratifying results. At a business conference of one large life insurance agency, the following facts were elicited:

Seventeen underwriters had created a life insurance trust with their own personal insurance; 126 had been instrumental in the creation of life insurance trusts for their policyholders or prospects; and those present had sent 358 customers to trust companies for services other than estate matters.

A trust company in another city reported \$3,000,000 of new life insurance written by local underwriters on prospects sent them by the trust company and over \$10,000,000 of trust business secured for the trust company.

Wide Publicity Is Given to Movement

The second criterion of results achieved is in the form and extent of publicity the movement has received in addition to the meetings spoken of above. Life insurance has been more widely and more diversely advertised the past year than any year in its history. The advertising by trust companies of the advantages of life insurance has been almost lavish, taking the form of scores of thousands of circulars, pamphlets and cards; billboards in some sections of the country, and advertisements in daily newspapers and financial publications. The volume is not only great now, but is daily increasing and spreading over a wider area. The trust company division of the Am-



JAMES ELTON BRAGG
Vice-President Manhattan Life

varied lines of activity in the promotion of the idea of cooperation, holding separate or joint meetings of life underwriters and trust company officials throughout the country, encouraging trust companies and life insurance companies to advertise the advantages of the services of each other and educating trust officers and life underwriters how to cooperate intelligently to their mutual advantage. The closely coordinated activities of these two committees have been of the greatest value to both trust companies and life insurance companies in placing the advantages of each so prominently before the public in so short a time.

Importance of Trust Companies

Trust companies are among the most important financial institutions of the country and their influence in the community is a powerful one. Their growth in the last decade has been little short of phenomenal, showing an increase of 41 percent—from 1,812 companies in 1914 to 2,562 companies in 1924. In this same period their combined resources tripled, from \$5,924,979,890 to \$16,025,502,275. If their total resources alone are considered, they rank next to railroads and national banks. However if to their resources were added those of the 1,700 national banks and the 400 state banks having trust powers, those of banks owning, owned by or affiliated with trust companies and, finally, the funds held in trust by these institutions having fiduciary powers, their aggregate sum would exceed by many billions any financial interest of the country. The importance of life underwriters in securing the good will and cooperation of these powerful institutions in urging the carrying of more life insurance cannot be overestimated.

Services Performed by Trust Companies

The following typical services performed by trust companies indicate how closely they enter into the eco-

erican Bankers Assn. has published and issued 5,500 copies of Insurance Trust Bulletin No. 1, which gives some excellent advertisements that have appeared in different sections of the country; 11,000 copies of Insurance Trust Bulletin No. 2, mentioned above, have been issued by the same organization.

Several articles discussing the shrinkage of estates and its causes have appeared in "The Saturday Evening Post," notably among which were contributions by such authors as Dan Nelson, Chester T. Crowell and Albert W. Atwood. An article on this same subject written by your chairman appeared in "The Nation's Business," the official organ of the Chamber of Commerce of the United States. Indeed, the general subject has been discussed by the highest authorities, as President Coolidge and Secretary Mellon. Most of the New York news and financial papers, as well as the press in many other cities, have given wide publicity to the joint meetings of trust company officials and life underwriters—perhaps more than would have been given life underwriters' meetings alone.

Data on Settlements of Actual Estates

Through the efforts of your committee, data has been collected and compiled showing the settlements of actual estates throughout the country, which indicates in a most forcible manner the urgent need of more life insurance in estates. Dan Nelson of Minneapolis at the suggestion of your committee, collected data on almost 7,000 estates administered in 45 counties of 17 different states. From this data a chart was prepared by Mr. Nelson and purchased by the association. This chart, giving the actual experience in the settlement of all sizes of estates from \$2,000 to \$10,000,000 can be used as a most valuable canvassing document for any man of means is greatly interested in the question of how his estate will be settled. In the opinion of the committee, this is an excellent medium of approach and of arousing interest in the life insurance needed to enable an executor to settle one's estate at par. This chart has been used by several life insurance companies by arrangement with the National Association, and the right to use it can be procured by applying to the executive secretary. This is believed to be comparable in value to the charts prepared by Franklin W. Ganse which show the amount of federal and state estate taxes, with the addition in this case that the total shrinkage from all causes is indicated rather than that from taxes alone.

A book entitled "Cooperation Between Life Insurance and Trust Companies," being prepared jointly by Alexander C. Robinson and the chairman of your committee, is about ready for the press. It will be published by F. S. Crofts & Co. of New York City as one of the volumes comprising the International Life Insurance Series and will be on sale through the National Association. It is ardently hoped by the authors that its circulation among life insurance companies, underwriters and trust companies will materially aid in the progress of this great movement.

Recommendations Made by the Committee

For furtherance of this cooperative movement your committee respectfully but urgently recommends:

1. That life underwriters acquaint themselves more thoroughly with the functions of trust companies in order that they may place clearly before their prospects the advantages of the services that trust companies offer, especially with regard to adequate life insurance as a material aid in the administration of their estates. Life underwriters can cooperate intelligently only after they thoroughly understand trust company services, which knowledge comes only by constantly referring prospects to trust companies.

This will naturally excite a larger measure of interest on the part of such companies which will exert their influ-

ence on clients to make adequate insurance provision for the needs of their estates. Life underwriters being the highest type of salesmen should begin the movement. It is the surest way to promote their own interests.

Compile Data on

Gross and Net Estates

2. That life underwriters throughout the country be urged to secure from local trust companies data showing the gross and net amounts of estates and the cash left in them. A copy should be sent to the chairman of your committee. This data would greatly augment the value of the charts that have been prepared by your committee and the copies retained by the trust officers and the underwriters will convince them more positively than any general nation-wide figures possibly could of the value of life insurance in the settlement of estates.

3. That life underwriters throughout the entire country be urged to interview the clerk of courts, register of wills, or whatever the official in charge of the probate court records may be called, and request data similar to that to be secured from trust companies, as mentioned above. This information, too, should be entered and a copy sent to the chairman of your committee. The local information secured will in most cases enlist the active interest of the county official who has the ear of the courts. The public can be more enlightened and will appreciate the urgent need of adequate life insurance being provided to help settle estates economically.

Involve Exercise of

Judgment by Salesmen

It is obvious that the endeavor to promote the cooperation of these two great institutions involves the exercise of the judgment all salesmen should possess, particularly the seeking out and enlargement of points where the two institutions can and should cooperate. There have been some cases of unfounded fear on the part of one institution that the other would obtain some undue advantage, with the usual results that obtain where a feeling of suspicion has been prevalent—the movement of such inestimable value to life underwriters has been retarded. Underwriters do not sell policies by antagonizing prospects nor will they get the full benefits of cooperation with trust officers if there is fear, real or imaginary, that the trust companies will gain some unearned advantage. Friends and customers are made by seeking them, by multiplying the points of contact with them and not by enlarging upon differences.

It is true that there are a number of functions of trust companies that are of little or no interest to life insurance companies, such as the right to act as transfer agents, as registrars of stocks and bonds, as renters of safe deposit boxes, as banks of deposit, and so on. However, there are functions of life insurance companies that trust companies cannot perform. The outstanding fact that life underwriters and trust officers should thoroughly understand is that the chief business of life insurance companies is to create estates—and this trust companies cannot do.

First Policy to Pay

Debts, Expenses and Taxes

The first life insurance policy in almost every insurance program obviously should be to pay debts, funeral expenses and taxes, especially the latter in large estates. Such provision is vitally important to executors of estates which, in the vast majority of cases, should be trust companies.

In many cases a life income policy or plan of leaving the proceeds of a death claim on deposit with the life insurance company is, perhaps, the most effective way of serving a policy-holder and his dependents, whose interests all honest and sincere life insurance and trust officials must keep foremost in mind. However, there is a vast field of cooperation open to the members of both institutions. In numberless cases life in-

(Continued on page 20)

GREETINGS to Underwriters

In the great work to which we are all committed, the Grizzard System joins in a re-dedication to ideals and purposes advanced by the underwriters assembled at Kansas City.

That success may crown all efforts to make the institution of Old Line Legal Reserve Life Insurance even greater, nobler and more widespread than any accomplishments of the past is our sincere wish.

The Grizzard System during its seven years existence
HAVE NOT, DOES NOT NOW, and WILL NOT proselyte the Underwriters of other organizations.



Chicago, Detroit, Cleveland, Columbus
and Principal Cities

GRIZZARD SYSTEM OF AMERICA, Incorporated
Executive Offices, Illinois Merchants Bank Bldg.

CHICAGO

Much Interest Shown In Trust Plan

FOLLOWING the address of A. C. Robinson of Pittsburgh Wednesday morning on cooperation between trust companies and life underwriters, a number of interesting questions regarding trust company practices were asked and were answered by trust company officials who were on the stage.

M. J. DILLON, St. Paul, Minn.: The question has been asked as to what becomes of the trust in case the trust company fails.

MR. ROBINSON: Mr. Corrington in his recent book on wills, trusts and estates, states as a fact that in the history of the trust companies administering trusts not a dollar has ever been lost through the failure of any trust company or the dishonesty of any of its employees, with the exception of one minor case. In the state of Pennsylvania a number of trust companies have failed. First and last not one dollar has ever been lost to those trust beneficiaries or the estates. Our estate funds are all segregated, kept in separate accounts.

We are not allowed, and would not if we could, keep our cash balance in our own company. They are kept under separate departments. The trust department is responsible only to me as president, and only on matters of business advice. I cannot interfere with their handling of those things.

Further, we are examined by our own auditors; we have expert and high-priced auditors who are constantly auditing everything. We are examined by the state, periodically, by their auditors. Every now and then our directors spring a surprise, and worst of all, the orphans' court of Alleghany county sends down their own examiner who rakes us fore and aft. He is a brother-in-law of Mr. Woods here, and he is a holy terror.

The funds are kept intact and if the trust company fails those funds are found segregated.

L. W. HALE, president Fidelity National Bank & Trust Co., Kansas City: Mr. President, may I add in addition to that, that if a trust company fails a court of equity appoints a substitute trustee.

CHAIRMAN GANSE: And may I add to that, in the "Trust Company" magazine there was published a resume of the history in this matter of the failures of trust companies, the infinitesimal amount of failures and loss of trust companies, and to me as a life insurance man who had a great idea that life insurance companies were stronger and safer than trust companies, it was an eye-opener to read that record. It is in a reprint. You can get it if you wish. I have a copy here.

EDWARD A. WOODS: Mr. Chairman, I think a great deal of that misconception arises from the idea that trusts are merged in the general assets of the trust company. The fact that Mr. Robinson may personally fail does not mean that he has embezzled and used my securities. My securities are perfectly safe. The trust company keeps every trust separate and the failure of the trustee in general does not mean these various trusts are touched. They are kept apart in every state. Do not get the idea that a failure of a trust company necessarily means a loss of a dollar of its sacred trust funds.

GUY McLAUGHLIN, Houston, Tex.: I am one of the boys you planted in the audience to ask a question. Is it the general practice of trust officers to make estimates and recommendations regarding inheritance taxes without charge?

CHAIRMAN GANSE: I would like to ask one of the Kansas City trust officers to answer that.

MR. FRANEY, First National Bank, Kansas City: We do it free of charge.

Officials of Trust Companies Answer Questions on Practices

MR. McLAUGHLIN: The question is: is it the general practice of trust officers?

MR. FRANEY: I would say it is.
CHAIRMAN GANSE: Do the trust officers in the audience agree? (No response).

L. C. WOODS, Pittsburgh, Pa.: I would like to say something.

CHAIRMAN GANSE: The man that does the work while Edward Woods is away.

L. C. WOODS: I would like to ask a question of these, our friends, the trust companies, as to the percentage of losses of estates left in the hands of trust companies. Can we be enlightened as to the percentage of losses of estates left in the hands of indiscriminate next of kin and other individual personal executors and administrators?

CHAIRMAN GANSE: What do you think, trust officers? They have not the data here, Mr. Woods.

E. B. GOFF, Baltimore, Md.: What is the charge which Mr. Robinson's trust company makes for collecting the proceeds of life insurance left in a life insurance trust?

MR. ROBINSON: That depends on the size of the trust and everything else connected with it. Obviously the work of handling a trust of \$100,000 is not ten times as much as that of a trust of \$10,000. We endeavor to accommodate our rates to the condition of the trust and the work involved. The old theory of charge was 5 per cent and individual executors always expected to get 5 per cent on both the income and on the corpus. On smaller estates we do charge 5 per cent on collection of the income on corpus of the estate when and as distributed. We charge, depending on the size of the estate and the amount involved and submit our charges to the orphans court for approval or disapproval.

MR. GOFF: I mean when the money is payable to you, when you are the beneficiaries, do you charge anything?

MR. ROBINSON: Not when we collect the money. We charge on the income and when the corpus is distributed we charge them.

CHAIRMAN GANSE: They don't charge for collecting the proceeds. There is a charge on collecting and disbursing the income and charge on the ultimate distribution of the entire corpus of the estate.

EDWARD A. WOODS: I have been at dozens of these meetings. I have heard a great many questions like this, apparently sensitiveness on the part of the life underwriters for fear the trust company is going to make some money. I never heard a trust company ask how much commission a life insurance man makes on the insurance he writes. Let's not worry too much about that. There is a gink down in Newark who went to the Philadelphia Union Trust Company, which has sent \$3,000,000 of business to life insurance men who got the commission right away, not when the man died, and he asked the trust company to pay him commission on business he brought them that some time he might get. Please don't get into that class.

BOLLING SIBLEY, Memphis, Tenn.: I would like to know how local and state taxes affects the net income of the trust estate.

MR. ROBINSON: The question of taxation is one that has been referred to. I do not think that we want to

take up the question of taxation in public meetings and emphasize it too much. The tax collector and the tax spender has his eye on everything and if we proceed to emphasize it by putting our life insurance trusts open he is going to be on the lookout to see how he can tighten things up.

Let's make the best of the laws we have and try to get the laws amended, ourselves, but do not go around advertising that we can show the way to beat the tax collector. He will tighten up on us then. As a matter of fact we do, we have a tax expert, we save our trusts large sums of money because we know the law, the rulings, we prepare for that sort of thing, and if you will, come to us, or the trust companies when you make your trust, and let us see what your investments are, and how scattered over the states with that infernal multiplicity of the state inheritance tax, destroying the seed corn of the nation. If you will come to us we can give you suggestions, perfectly legal, but do not go around talking too much about how we are going to beat the tax question.

CHAIRMAN GANSE: Get that point? The difference between avoidance and evasion? You avoid a brick-bat thrown at your head. You evade a duty. There is a wide-spread difference there. If the government says to me, "If you take out \$40,000 and make it payable to Mrs. Ganse it is free of tax, but if you make it payable to your estate it is not free. Tax avoidance is legitimate. Tax evasion is a sin. There is no getting around it."

MR. ROBINSON: May I supplement that. The gentleman raised the question about taxation. That is one reason why you want the local trust company handling the local taxes. It is not a question for the general convention. What do I know about the taxes in other states. I know about the taxes in Pennsylvania, or am supposed to know, but I don't know so much about other states. We can get our heads together in tax conferences. Let's attack the law, not our own individual practices.

CHAIRMAN GANSE: We would hate to tell Mr. Sibley what we think of a state that is only one in five in the whole country that taxes the proceeds of life insurance.

MR. SIBLEY: That is an error.

CHAIRMAN GANSE: But collateral heirs are taxed.

MR. SIBLEY: Collateral heirs are taxed.

CHAIRMAN GANSE: They ought not to be taxed under any circumstances.

R. H. HEARTMAN (Des Moines): I would like to know what your opinion is as to the line of demarcation between trust estates to be administered by life insurance companies or trust companies.

CHAIRMAN GANSE: I wonder if Mr. Reynolds would say something about that.

MR. REYNOLDS: It has been our policy at home not to advocate the life insurance trust as a sort of policy which is a specific cure for every ill that a human being might have. We have told the insurance men of Detroit that there are certain cases where the life insurance trust is vastly superior to any contract form of any insurance company, but, on the other hand, there perhaps are just as many cases where the annual payment contract form of the company you represent is as good or

better than life insurance trust. Now the situation that exists is this: You have a trust company in a position to offer discretionary powers and to use them. Where you have cases where discretion is of value in the affairs of the man whose policy you are writing, then the trust company, of course, is of greater value than the insurance company, but if there are certain cases which in your own judgment as insurance counselors you know the form of contract you have to offer is the best, then it is your duty to suggest that contract.

Too Much Treading On Each Other's Toes

In the past, there has been too much treading on each other's toes and too much fear that some one fellow is going to make a little money on the other fellow, as Mr. Woods said. Too many insurance men have been of the opinion that when they pay the money in bulk to the trust company that the insurance company is going to lose, whereas if it were not paid to the trust company and paid to the individual the loss would be there anyway.

Now, in Michigan our trust funds of this nature are restricted by statute as to investment. If you have the proceeds of a life insurance policy payable to a trust company in Michigan, that trust company is ordered by statute to invest those funds in one of three types of security, either first real estate mortgages on improved property, municipal securities, or government bonds.

Now that will give you a fair idea of the risk that is involved in the investment of the securities particularly, when the mortgages that they are invested in are never made under our Michigan laws to exceed 50 per cent of the value of the property. The fees that are charges, as Mr. Robinson stated, a portion of the income, not of the principal.

PRESIDENT CLEGG: I would like to ask Mr. Robinson if it is not generally true that trust companies will now make out wills free of charge and that if the trust company is left as executor and as trustee under the law or under the court they only collect one fee.

CHAIRMAN GANSE: Let one of the Kansas City men answer that.

MR. HOWARD (Commerce Trust Co., Kansas City): Mr. Chairman, that is a very complicated question. There you get into the discussion between the lawyer and the trust company as to what their rights and duties are. It is a question that has troubled all meetings of the Bar Association and all meetings of the bankers' associations where the trust companies are discussed.

In Missouri, we have a right to draw a will for a client or a customer, provided there is no charge made for the drawing of the will. If there are any charges made for it, we violate the laws of this state and are liable for criminal prosecution for that violation. Generally we do all that we can to assist and help the client in determining what course he shall pursue in the provisions of his will and suggesting to him that to avoid all or any possible criticism he confers with his lawyers. If he is unwilling to do that, we prepare the will or document for him without charge.

PRESIDENT CLEGG: If you are left an executor and trustee, are you only allowed one fee, either the executor's or trustee's fee?

MR. HOWARD: The executor is allowed his regular trustees' fees. There are instances where an attorney is employed and, if so, the estate must pay that expense and the same way with reference to trustees' fees. There are

"More Information for More Companies"

The Little Gem Life Chart

THE ORIGINAL VEST POCKET BOOK

Rates—Dividends—Net Cost
Policy Analysis—Values

100 COMPANIES

Five-Year Business
and Financial Report

250 COMPANIES

12,000 Increase in Orders in 1925—20,000 Increase in Two Years

REASONS More Companies for Each State—Financial and Insurance Exhibit—IMPARTIAL
More Information for Each Company—Accurate, Simple, Early Delivery

Use the Chart That Gives—

100 LEADING COMPANIES

For any state the Little Gem covers more companies operating in the field than its nearest competitor. The 100 legal reserve companies shown are chosen because of their size and the territory covered. Every company is dealt with impartially and accurately, and more information is given concerning each one than is to be found in any similar vest pocket book.

FIVE YEAR FINANCIAL STATEMENT

Two hundred and fifty legal reserve companies operating in the United States are covered on twenty-two items for their business and financial condition for a period of five years. This is the only publication of this kind that gives the annual statements of all companies, thus saving the agent the expense of securing a special book containing the financial and insurance records of companies. This is the first publication of this information each year in book form.

EIGHT AGES OF DIVIDENDS AND NET COSTS

Four more ages of dividends and net costs are shown for all participating companies than is shown by any similar publication. This dividend information is given at five year ages, from 25 to 60, inclusive. Similar publications give this information only at 10 year ages.

SPECIAL NET COST PAGE

Agents have praised our method of showing total net costs and averages very highly, inasmuch as it gives them condensed information on both the "present dividend" scale and actual history on the same page for a ten-year as well as a fifteen-year illustration. This special net cost page has been a great success as comparisons are readily made.

TEN AND FIFTEEN YEAR ILLUSTRATIONS

Similar books give only a fifteen-year showing. The Little Gem gives both the ten and fifteen year showing on totals, net costs, premiums, dividends, cash values and averages. Net cost totals are shown both ways, with and without cash values deducted, and on basis of actual history as well as present scale.

Use the Chart that Gives—

WELL-KNOWN SPECIAL POLICIES

Special showings are made on policies for which there is a special demand, such as the Metropolitan \$5,000 special, the Equitable convertible policy, the Phoenix Mutual 3½% policy, the Travelers premium reduction, Aetna and Prudential modified rates, and others.

RATES FOR MOST POLICIES

Rates are given for at least nine leading policies—more in many cases—including premiums on disability and double indemnity, with their various combinations. Industrial rates are also given.

AN ACCURATE POLICY ANALYSIS

For each company a page is devoted to the analysis of the policy forms. The policies are analyzed under the same points for each company, making it possible to look up quickly and accurately any facts needed, such as cash values, change of plan, disability, dividends, double indemnity, extended insurance, grace, incontestability, loans, nonforfeitable conditions, paid-up values, premium loans, reinstatement, restricted occupations, and many others.

THE IMPORTANT TABLES

Both the 3 and 3½% American experience tables and also the 4% Actuary tables are given. Tables giving rates of interest paid on proceeds of policies left with company, as well as ratios of actual to expected mortality for 120 companies.

CASH VALUES

Cash values are given at the end of 2nd or 3rd, 4th, 5th, 10th, 15th, and 20th years on ordinary life, 20 pay and 20 year endowment.

10-15 PAYMENT AND 10-15 ENDOWMENT DIVIDENDS

Dividends are given for 10 year on 10 and 15 pay life and 10 and 15 year endowments. Also, dividends, paid-up and term policies. Making the most complete dividend showing to be found in any vest pocket book.

EARLY DELIVERY

For the past four years, the Little Gem has been the first chart out showing the five-year financial and insurance exhibit of 250 companies. The first copies are out of the bindery by April 1st, and yet the Gem contains these special reports from 48 insurance departments; in addition to all new dividend and net cost schedules made up, totals for 10 and 15 years.

Bound in real leather and printed on the finest grade of thin Bible paper obtainable.

RETAIL PRICE (Single Copies).....\$2.00

Take advantage of your company club offer. Order direct or through your general agency or home office.

THE NATIONAL UNDERWRITER COMPANY

420 East 4th Street, Cincinnati, Ohio

cases where litigation arises out of a trust estate just as it arises in the administration of an estate in probate court and it is necessary to employ a legal counsel. Then legal counsel is employed and the trust or estate pays the expense.

CHAIRMAN GANSE: We have a man here from Minneapolis. Have you ever heard of Dan Nelson? He says he hasn't much to say, but I want you to see him.

DAN NELSON (Minneapolis, Minn.): There is one thing I want to say in connection with my work in inheritance and trust company service. If your clients are wealthy men and want insurance protection for their estates, it can only be done in two ways: Make their policies payable to their estate, which is the only way they can get the money into the hands of their executors, that is, make their insurance taxable; or leave it to a named individual and secure exemption under federal inheritance tax, and under most state laws. In the latter case if the insurance money is going to be used for the purpose intended, the only solution I know of is to name a trust company as trustee of your life insurance, a trust agreement where they can use the money for the proper purpose.

GODFREY MOORE, New York: Recognizing all advantages of the trust companies trust agreement, isn't it as a matter of fact advantageous for the smaller man and to some extent at least for big men to use the optional method of settling policies so that no matter what may happen in the future years that on the first of each and every month a minimum amount, if you please, in equal monthly payments, will be made to the widow and the kids? And that amount will be free of income tax, free of inheritance tax, and all other expenses in connection, and, furthermore, is it not a fact that under the optional method of settling that there is no delay or other dilatoriness involved, whereas a trust agreement possibly might be subject to evasion?

CHAIRMAN GANSE: This is not a question before the house. This audience is sold on guaranteed life income through life insurance and we do not need any argument. I agree with you largely myself, and we all do. We don't need that comparison. We are not talking about competitive questions, we are talking about cooperation. What you say is undoubtedly true as far as it goes.

W. R. C. ROWAN, Canada Life, Pittsburgh: Mr. Reynolds spoke of the practice of the Union Trust Company of turning over to the agent cards received in inquiry. However, I understand that those names had been furnished by those particular agents so that the trust company was not furnishing the agent with the name of that prospect. Now the question I want to ask is: Is it reasonable for trust companies to give life underwriters prospects and is it reasonable for life underwriters to expect trust officers to give them prospects?

CHAIRMAN GANSE: Is it reasonable for life underwriters to expect the trust companies to give them the name of prospects and do they generally do it?

MR. REYNOLDS: Maybe I was not clear on that, Mr. Rowan. We purchase this service of booklets and they are entitled, "The Value of Your Life," "Dependent People," and other things like that. We went to all the underwriters in Detroit and asked them to give us a list of their prospects, those they would like these booklets to go to. There was in each booklet an unqualified endorsement of insurance over our signature. As soon as we send these out the little cards come in that were enclosed with the booklet from the people that we sent them to and we turn them over to the agents. There was nothing in that that produced, from our view, a prospect for agents. It was merely a program of encouraging the prospects that

they already had by using the prestige of our name.

You want to know whether it is feasible and perhaps ethical for trust companies to furnish insurance company agents prospects. It certainly is feasible in many cases, and I can see no reason why it would not be ethical in cases where the prospect was known in advance or had been talked to in advance about it. But it certainly is unethical for trust companies to betray to insurance agents or to any other type of professional man the situation of its clientele.

We cannot tell you that in our opinion such a person is in need of insurance because of what we know of the estate. We can go to him and tell him that we think he ought to have insurance and if he so desires we will recommend insurance men to him and our policy on that has been to furnish the list of Detroit underwriters and let him select whoever he wants.

E. A. Woods Report

(Continued from page 17)

Insurance companies cannot act as executors or administrators of estates. Their powers as trustees are also limited by the insurance contract. They cannot exercise the discretion which is so necessary in the case of countless estates left annually throughout the United States. Also, the laws of the various states differ, the practice of probate courts vary from jurisdiction to jurisdiction and, often, change from year to year. In other words, the administration of estates is a local matter best performed by organizations and residents of that particular locality—hence, by trust companies and their officers. The provision of estates is a national matter and is naturally served by life insurance companies.

Of Mutual Interest to Conserve Policy Proceeds

It is to the mutual interest of life underwriters and trust companies and, most of all, to policyholders that all monies provided by life insurance be conserved. This can be done to the best advantage by trust company administration of estates. The drawing up of a life insurance trust, funded or unfunded, is typically a case for cooperation, particularly in those instances where discretion by the executor or trustee is to be exercised.

There are, of course, border-line cases where there may be a nice question as to whether or not a life insurance company alone can best carry out the purpose of the insured; whether some plan of life insurance will carry out the plans as well as a trust company could. Over-emphasis of these border-line cases will not promote cooperation but, on the contrary, will retard its development. This movement, while in its infancy, is making tremendous progress and it is utter folly to permit narrow views to stand in the way of great advantages to be gained by the sincere working together of these great institutions. When a life underwriter is endeavoring to close a case, a discussion with his prospect involving a difference of opinion is foolish in the extreme; to antagonize trust officers by unnecessary discussions is equally unwise.

Spirit of Service Must Actuate Both

The solving of these individual problems as they arise from time to time can safely be left to the wise judgment of underwriters, their home office officials or trust officers, and it can be safely assumed that, on the whole, the questions will be settled wisely and equitably to all concerned. The spirit of service to the public and the desire to cooperate with each other must actuate both life underwriters and trust officials and by their joint counsels they will be more certain to work for the very best interest of their mutual clients. No cause will be furthered by jealous discussion of these exceptional cases relative to the advantages of one

INDEX TO THE ADVERTISERS

COVER

Peoria LifeFC
National Life, U. S. A.IFC
American National of Galveston...IBC
Security Life Ins. Co. of America...BC

A

American Central Life.....XXVI

B

Bank Savings Life.....XVIII
Berkshire Life.....XXIV
Bishop, L. BrackettXIII
Bokum & Dingle.....XIII
Burkley, Edward J.....12
Business Men's Assurance.....10-11

C

Capitol LifeXXVIII
Carmack, E. H.....XIII
Casualty ReviewXXV
Central Life, Kansas.....15
Central States Life.....XXV
Chicago National Life.....VI
Continental CasualtyIV
Continental AssuranceI
Continental LifeXXVII

D

Day, Darby A.....XI
Dyer, George L. Co.....12

E

Edwards, J. Stanley.....13
Employers IndemnityXVI

F

Farmers & Bankers Life.....VIII
Federal LifeXXIV
Federal Union LifeXIX
Ferguson, Edward A.....XI
Fidelity Mutual Life.....XXII
Fischer & Fischer.....12
Flynn, Warren D.....12
Fowler, Edgar C.....XIII
Franklin LifeXXX

G

Gem City LifeXIX
Globe Mutual LifeXXIX
Great Northern Life.....XXVII
Great Republic Life.....XXII
Grizzard System17
Guaranty LifeXXIX
Guardian LifeXXVIII

H

Hake, R. G.....9
Hathaway, J. F.....12
Hobart & OatesXI
Home LifeXVII
Houze, W. M.....XIII
Insurance Research and Review...XXI
International LifeXVII

K

Kansas City Life.....10-11
Kansas City General Agents.....9

L

La Fayette Life.....XXIV
Liberty LifeXIV
Life Ins. Co. of Virginia.....XXV
Lincoln National Life.....XII

M

Massachusetts Mutual Life.....XV
McKnight, Arthur L.....12
Meyer, Julius H.....XIII
Mid-Continent LifeXX
Midland Life10-11
Minnesota Mutual Life.....XX
Mutual Benefit LifeXXI
Mutual Trust LifeXXX

N

National Fidelity Life.....10-11
National Life, Vt.....VI
National Life & Accident.....XXIII
National Savings LifeXIX
Nelson, M. A.....12
New England Mutual Life.....XXIII
Northern LifeX
Northwestern Mutual Life.....XXI

O

Ohio National LifeX

P

Pacific Mutual Life.....III
Pan AmericanXXII
Pearson & Larson.....9
Peoples Life, Ill.....V
Peoples Life, Ind.....XXVI
Phoenix Mutual Life.....9
Pilot LifeXXIV
PrudentialIX

R

Rench, Fred T.....12

S

Scharles, Wm. L.....9
Scott, Charles L.....9
Skinner, D. M.....9
Southern Union Life.....IV
Springfield LifeVII
St. Louis MutualXXXI
St. Louis General Agents.....12
Standard Life, Pittsburgh.....XIX
Sun Life, CanadaXIV

T

Trotter, J. F.....9

U

Union Mutual LifeXXV
Unique Manual—DigestXXXII
Universal Life5
U. S. ReserveXXXI

V

Victory LifeVIII
Volunteer State Life.....XVIII

W

West Coast LifeXX
Western ProtectiveIV
Whately, S. T.....XI
Wrenn, EvertsXIII
Wyman & Palmer.....XIII

party as contrasted with those of the other. Comparisons here, as elsewhere, are odious and dangerous. To discover points of mutual interest, to dwell upon and enlarge the ways and means by which underwriters and trust officials can cooperate and, then, to effect such plans is the logical manner in which to quickly and surely bring into fruition all the potential gains common to clients, underwriters and trust companies.

Much Money Spent to Advertise Life Insurance

Your committee dwells upon this because trust companies have shown their willingness to cooperate by spending immense sums of money in generously advertising life insurance. Much of this publicity has been given without any mention of trust company interests. It would not be surprising to those most

in touch with this movement to learn, if it were possible to ascertain the facts, that the total amount spent in the last year by trust companies in advertising life insurance was equal to the total sum paid out by life insurance companies to advertise their own business. Much of the advertising of life insurance by trust companies has been excellently done. The fact that trust companies realize that a large amount of life insurance coverage benefits their own business does not lessen its value to life underwriters but, instead, greatly increases it.

The goal to be attained is that in every community where a trust company exists there should be the most cordial relations existing between the life underwriters and the trust company officials, each thoroughly understanding the functions of the other and both counselling jointly with clients in the common interest of all.

The National Underwriter

Value of Clientele Is Presented

AGENCY MEN'S LIVE SESSION

Value of Training
Was Central Theme
Wednesday Evening

Sales Courses of Various Types Are Discussed—Ten Telegraph Talks Big Hit

Convention Headquarters,
Muehlebach Hotel,
Kansas City, Mo., Oct. 1.

ONE OF the most enthusiastic and practical sessions of the whole convention was the agency building meeting on Wednesday evening. For the past several years this particular gathering has been one that has attracted real attention and this year was no exception. The attendance was even larger than usual, the ball room of the Muehlebach being packed for that session, with many unable to get into the room. It was a sort of an experience or "how I have done it" affair. Griffin M. Lovelace of New York University presided as chairman. His first speaker, L. E. Hooker of the Burroughs Adding Machine Co., sounded the keynote in his talk on "The Value of Training." He told just how training courses had decreased the turnover of new men, and increased loyalty to the organization.

Law Tells Importance of College Training Courses

Russell L. Law of the Northwestern Mutual at Oklahoma City devoted his 25-minute talk to the importance of college training courses. Mr. Law spoke out of his own personal experience. He related his early floundering as an untrained agent and told how his training course at Carnegie Institute had equipped him to become a producer of more than \$1,000,000 of new business annually.

A. H. Myer, director of the department of commerce of the United Y. M. C. A. Schools, described the scope and purpose of the "Y" life insurance courses.

Company training courses were discussed by H. P. Gravengaard, manager of sales training for the Aetna Life. Mr. Gravengaard explained what procedure the Aetna has pursued in evolving its course.

Oklahoman's Experience With Agency Training Course

The important part taken by the agency training course was discussed by C. C. Day of Oklahoma City. Mr. Day's agency is producing \$4,000,000 of business annually through a force of 24, and no part time men are employed. Mr. Day believing that the part time man requires as much training as the full timer and yet the part time man will rarely utilize the training.

Another speaker to discuss correspon-

Continued on Page 28

Ten Telegraph Talks Make Hit At Sessions On Agency Building

"HAVE BEEN TOLD BY SOME OF THE BEST PRODUCERS I KNOW THAT LIFE INSURANCE EDUCATION IS THE BUNK UNDERSTAND YOU TOOK A COURSE. PLEASE WIRE ME COLLECT WHAT IT DID FOR YOU."

THE REPLIES

JAMES ELTON BRAGG, vice-president Manhattan Life: Every forward step in the progress of society has been scoffed at by so-called practical men. Remember that the best minds of their day tortured and exiled Galileo and Copernicus for their work in astronomy; destroyed Pasteur and Lister for their work in the field of aseptic surgery and ridiculed Harvey for the discovery of the circulation of the blood. Get into the course immediately. Those who scoff at it now won't be in the business 15 years from today. Incidentally, taking such a course enabled me to hold a job.

PAUL CLARK, general agent John Hancock at Boston: If you intend remaining in life underwriting permanently take course by all means. You will probably feel that you could never know all about life insurance business but it will have given you a vision of a great profession in which the future offers a small chance to the man who is not properly trained.

H. J. CUMMINGS, Minnesota Mutual, St. Paul: Even a Pierce-Arrow car would not demonstrate well with the brakes set. Any course mentioned properly studied will first force you really to believe fully and finally in your business; second, supply technique and sale information that will convey your belief to others and third, harness to these real things in your work. Without question all this will release the brakes on your straight eight, but don't get the idea that you can sit back and hire a chauffeur when the course is over.

IRA J. FISHER, general agent Penn Mutual at St. Louis: Taking the training three months at Carnegie Tech did more to build a foundation for me and give me confidence in the institution of life insurance and in myself than any two years of my experience. The training equipped me with a working set of tools, reconditioned old tools and supplied new, and shows how to use them. I have stated repeatedly were I starting again I would if necessary borrow \$5,000 or \$10,000 to purchase training at the best school available.

RUSSELL S. KING, general agent State Mutual, Chicago: Can't understand why anyone could call education in one's profession the bunk. Bananas were not worth much until set to music. The Carnegie Tech course helped me to tune in with a hearty humanity and

understand its hopes and aspirations. It gave me a vision of homes guarded and ambitions attained, souls fed, wolves checkmated and peace and satisfaction guaranteed, fathers hoping and trusting in the future. When you feel you can't learn anything from the experience of others, your thinking machine will be as hard as the beard on Lincoln's statue in Grant Park.

O. J. LACY, vice-president Minnesota Mutual: As an experienced life underwriter before taking Carnegie course it did three things: First, brought back to memory many valuable aids long forgotten or carelessly discarded as immaterial. Second, classified years of haphazard experiences into best business principles so that I could chart a known course and sail it with confidence. Third, opened up vast new fields of applied standard practice of other successful life insurance men of which will frankly admit was previously ignorant. Try it by all means. You will emerge with a complete kit of new tools, which, coupled with good hard work will insure future success.

JOSEPH LOCKWOOD, general agent Provident Mutual, Kansas City: Insurance school kept me in business after two years agency training. Just finished course for second time after five-year interval. Expect to take it again in 1930. Insurance school broadened my person, personality, and purse. Recommend you take course even though you borrow to pay tuition.

JAMES McLAIN, agency supervisor home office, Guardian Life: Took course after selling five years. It shortened my apprenticeship three years through teaching me to organize myself. By self-organization I mean knowledge of human nature, of life insurance business, the vision of its future and necessity of putting my own house in order; without these sell ash cans, not life insurance.

L. C. MERSFELDER, general agent Kansas City Life, Oklahoma City: I will answer your telegram by asking you some questions. If a member of your family becomes very ill do you seek the services of a trained or an untrained physician? If you have valuable legal papers to be prepared do you seek trained or untrained service? It is said that life insurance constitutes over 85 per cent of the estates left. Insurance estates are coming more and more popular and valuable every day. Will discriminating and thinking business

SALES TALKS BIG FEATURE

Snappy Two-Minute
Presentations for
Specific Needs Given

"Family Protection" and "Business Protection" Are Topics—Prize to Samuels

Convention Headquarters,
Orpheum Theatre,
Kansas City, Mo., Oct. 1.

BY ALL odds the liveliest and most continuously interesting session of this convention was staged on Thursday morning. At this meeting "the real stuff" was brought out. The 16 two-minute talks that were given in rapid-fire order were full of meat. Nearly every speaker had something practical to say.

After the invocation by the Rev. Samuel D. Harkness, pastor of the Immanuel Presbyterian Church, Paul F. Clark, general agent of the John Hancock at Boston, Mass., took charge of the meeting as chairman. "The Value of a Clientele" was the general theme. In introducing the subject Mr. Clark said:

"We doubt not that everybody in this audience this morning appreciates the value of a clientele, but it will be our intention to, if possible, give you some ideas which may possibly help you to build a bigger and better clientele."

Definition Given of What Clientele Is

"We have many conceptions of what a clientele is. Some of you may have read definitions of the term. We have one definition this morning which we are going to read, as it will give you our idea of a clientele around which this program is built:

"A clientele is the accumulated circle of business acquaintances acquired"

Continued on Page 26

men in the future hazard their greatest part of their estates with trained or untrained salesmen? After 12 years' experience in the insurance work as a salesman and general agent, I recently completed a course in life insurance salesmanship and am thoroughly sold on the idea. It gave me a new hope and a new vision. My advice is, take it at the first opportunity.

JOHN H. RUSSELL, associate general agent Pacific Mutual, Los Angeles: Grab the chance and grab it quick. The trained underwriter has all the edge on the fellow with experience only. Would not take thousands for time I spent in Carnegie Tech. Education will give you the correct and simple fundamentals of salesmanship. Also a good selling technique. Educational preparation will give you necessary confidence, stimulate your imagination and will add pride and pleasure in a professional grasp of your work. Grab it and grab it quick.

Correspondence Course Used By The Connecticut Mutual

By H. M. HOLDERNESS

Superintendent of Agencies, Connecticut Mutual Life

IT IS very gracious of Mr. Lovelace to ask me to outline more or less the functions of the Connecticut Mutual course, the curriculum and some of the results obtained.

I hope you will pardon me if I digress for a moment to take this opportunity to express my sincere admiration for the fine achievement in this respect of the National Association. I think if it had not been for their splendid perspective and vision and their ability to sense the trend of modern thought in connection with life insurance over the past few years that we here tonight would not have the opportunity and the blessing and the advantages afforded by the educational media that we have at our disposal.

You know if anyone were to look back over a series of years he might very readily express some surprise that this great association should give over such tremendous, very valuable time to education in all its branches. Although anyone who happens to look over the fine programs that have been outlined by the executive committee of the association from year to year will become conversant with that fact.

Profound Knowledge Rare Form of Salesmanship

The rarest form of salesmanship is a demonstration of a profound knowl-

edge of one's subject. Just get that again, the rarest form and by the same token the best form of salesmanship is a demonstration of a profound knowledge of one's subject given with conviction and purpose. That is more or less of a paraphrase of an editorial comment that I recollect. Yet it bears out the point I make, that the National Association and the life companies today recognize their responsibility in doing as much educational work as is possible in order that the men who follow after with the rate book can give a good account of this profession.

It is a singular thing that as a matter of fact this business and all of this thought and all of this research in connection with educational data has found ultimate fruition only in the last five years, since the war. Yet, on the other hand, it is not singular when you think that during the war there was a great business awakening and men recognized the fact that they had to do a great deal of personal as well as corporate introspection, and, furthermore, not only did they have to do this introspection, but they recognized two things, that time and equipment on the one hand and knowledge on the other were the two factors with which we had to reckon.

Some of you may have heard of our general agent at Pittsburgh, Lee D. Hemingway, who away back in 1906 con-

ceived the fact that there was something wrong with the business of selling life insurance and felt quite sure it might readily be remedied by educational media.

In 1906, Mr. Hemingway had arranged for a policy analysis by the inductive method we are using today. In 1912 he virtually achieved a primary and advanced course which he followed in the Pittsburgh agency for eight years, until the time the company began to recognize shortly after the war that things had to be done in the way of practical education if we ever wanted to get on. If it had not been for Hemingway, we would not have had the opportunity of giving, as we have, a practical field course to our representation.

Data on Companies'

Training Course Plans

The course consists of or is virtually the same to some degree as so many of the courses of other companies.

If I may digress for a moment, I may say that the Life Insurance Sales Research Bureau is a very great help in time of stress, especially to agency men pressed for time. When Dr. Lovelace gave me this opportunity to talk, I personally wanted to satisfy myself as to how many companies were giving sales courses, and I had not the opportunity to send a long questionnaire to every head office in the country, so I thought of the Life Insurance Sales Research Bureau, and inside of two hours I had all the data I required.

They told me that 23 companies had a training course for their agents, that five other companies in that contributing number had a correspondence course in the process of completion and that a number of other companies had splen-

did head office training schools that had been running on for some years.

This educational course of ours consists of 13 sections with 24 examination papers. It is in a loose-leaf binder of



H. M. HOLDERNESS

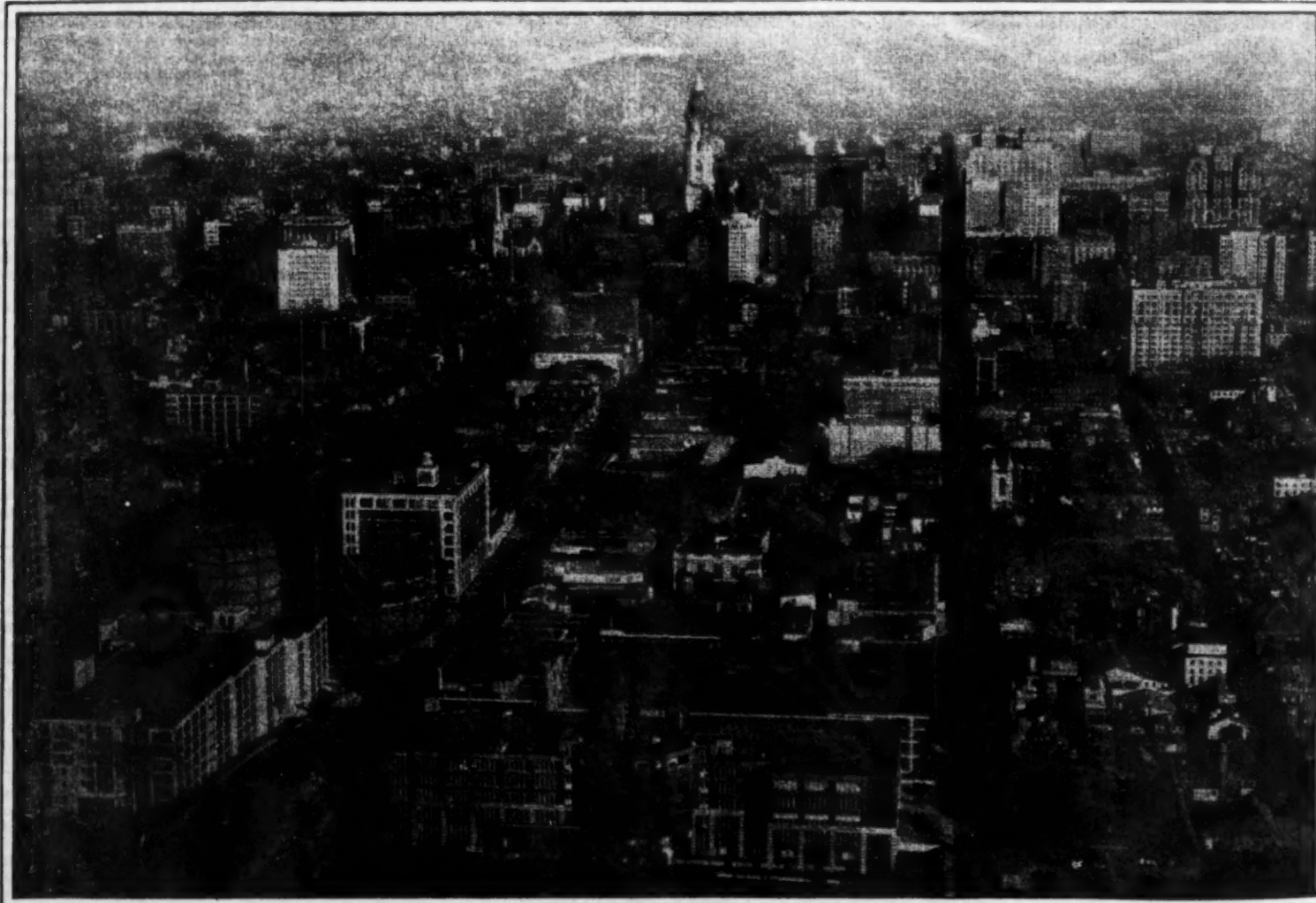
Supt. Agencies, Connecticut Mutual Life

some 300 pages, with this also goes a very practical volume, also loose-leaf, called "Sales Service," designed to cover all the practical features of such a manual and equipped to answer questions in regard to taxation and the like.

Our educational course consists of 13 sections or subdivisions in loose-leaf

(Continued on Page 27)

WHERE LIFE UNDERWRITERS WILL HOLD CONVENTION NEXT YEAR



This picture gives an airplane view of the central section of Philadelphia, where the National Association of Life Underwriters will hold its 1926 meeting. It is taken looking east toward the new Delaware River bridge, the towers of which are visible in the distance.

—Photo by Aero Service Corporation.

Family Protection Has Many Angles

Under the general topic of "family protection" a notable series of short sales talks giving presentations of the various uses of policies was given Thursday morning.

Monthly Income for Life

Outline

Prospect age 35. Income \$300 per month. Wife and two children. \$5,000 lump sum insurance. \$3,000 mortgage on home. Should have at least \$50 per month life income for wife. If acorn of \$50 per month for 60 months (commuted value \$2,760) is planted and nurtured by underwriter it will grow to life income oak.

HENRY CAMP HARRIS, American Life Reinsurance, Dallas, Tex.: A monthly income for life for the widow is the supreme service that life insurance can render. This life income form is a sheltering oak of protection for the American home. But before the oak is the acorn and likewise before the life income oak we must plant the limited income acorn. By a "limited income" I refer to an adequate amount of money for home needs for a definite though shorter period. Some few men have both the means and the desire for full grown oaks, but most of us have to plant acorns and grow our own oaks. A \$50 per month for 60 months contract is an acorn that when planted will grow into a life income oak if the underwriter, like Mother Nature, nurtures it by adding to its strength with other units. The acknowledged need of this form of protection and the small amount of income insurance in force in American companies is certainly a challenge to the thinking men in our profession.

Too Little Thought of Replacing Earning Power.

We have educated the public to life insurance service for death expenses and mortgage coverage. Too many people think of life insurance only for lump sum obligations, with little or no thought given to insurance for replacing the earning power which provides the every-day needs of the family. With the 20 per cent or less which he hopes to save from his income a man plans to pay off his obligations. For this amount he insures his life to protect his family should death occur before his savings absorb his obligations. The 80 per cent or more of his income which he is now able to provide for the maintenance of home, which would cease at death, remains unprotected. Today this is the strongest sales appeal that may be used by the underwriter. Through the income contract the father is able to give his best expression of love.

I am afraid that the average income approach is too general. The plan is ideal for the life income and it appeals but few sales result for reasons known to all of us. It is like shooting at a barn door with a shot gun. With a limited income for a definite period we shoot with a rifle at a knot hole and if we hit we get results.

Sample Public With Limited Income Form.

We must sample the American bread winner with limited income contracts. Some opinions to the contrary, the American buyer of anything is not a plunger unless he believes in what he is doing. The merchant monarchs of this country have put over their big merchandise selling program with the sample idea. Wrigley kept after us until we now use many millions of dollars worth of chewing gum, and Post influenced us to become addicts to his food products for breakfast because he started us many years ago with a tempting sample of grape nuts. Possessed of a limited income sample the desire for more is created in the insured.

We have already been able to show the owner of a mortgaged home that through life insurance, should his death

occur, he bequeaths to his widow a package of rent receipts for life stamped "Paid." This we might call "shelter insurance." In a like manner with the limited income policy the home owner may further equip his family with a definite income for the ordinary necessities of life. Even the \$50 a month for 60 months (commuted value \$2760) to which we refer as an acorn, would at least provide necessary food and in many instances more. An acorn that would render such a service surely would create the desire in the insured for an oak.

Advanced as our ideas are, the one of limited income insurance is almost a virgin field. This should not be so for no insurance service is more vital to the perpetuation of the home. Its presentation may be made vivid to the prospect because it is virile in its service and the underwriter may easily become a victorious crusader in bringing this most valued service to the attention of his prospects.

Income for Parents

Outline

Prospect age 35. Father 72. Mother 70. Father now living in a quaint way. Confidential information shows son is helping his father and mother, but does not want it advertised.

R. U. DARBY, Massachusetts Mutual, Baltimore:

"Mr. Smith, are your mother and father both living?"

"Yes."

"I envy you. Both of mine have left me recently. When yours are gone, as mine are, you will give anything you possess to have them back again."

"By the way, you carry a good deal of life insurance, don't you?"

"How much is in favor of mother and dad? While they are living, are you sure they will have the comforts necessary in their retirement? You, of course, know that the cards of life are stacked against this being possible."

"Now your dad paid a small sum when you came into the world. I bet he paid it cheerfully, for the doctor, nurse and necessary things for mother, and I'll wager that if he felt as I did when my boy came, he paid quite a little sum to celebrate. You know how it is. You have children of your own, so you know how dad felt on your first day."

"Now, as long as you live, mother and dad are safe."

"As a sporting proposition, will you spend as much once a year to guarantee dad and mother \$100 a month as long as they live, just about as much as dad spent for you when you were born?"

"My company has a wonderful contract, built expressly for cases like yours."

"Will you take it?"

"Yes?"

"I congratulate you."

Smoothing Sunset Trail

Outline

C. C. Gilman—age 39, married; no children. Small estate, fair income, and living up to it.

JOHN DOLPH, Metropolitan Life, Washington, D. C.: The desire to be happy and independent throughout life, and more particularly in old age, is just as natural as the hope for long life, and any plan or suggestion intended to bring about these conditions, if presented under favorable circumstances, is certain to arouse the attention and secure the interest of every right thinking person.

Here is a real human need that can be supplied and guaranteed to every one who will take advantage of the service life insurance is able and willing to render. A fair understanding of this service on the part of a man

and his wife is not sufficient. The value of their knowledge of life insurance is determined by what they do about it. Here is one of the real opportunities that confronts every life insurance agent. His worthwhileness is determined by his ability to get favorable action.

Life insurance is the modern creator of estates, and materially assists in providing against contingencies. At the bottom of every social problem there is a financial one. Life insurance largely solves the problem of thrift, and leads to independence. It multiplies the virtues of a bank balance. Life insurance and poverty are strangers: in truth life insurance makes charity obsolete. It eliminates worry, and makes for efficiency. These are the essentials of good citizenship, that guarantee comfort to you and your wife as you grow old together.

College Training for Son

THOMAS SCOTT, Tulsa, Okla.: Good morning, Mr. Gilman. You have a son, I believe, who will soon be ready for school. I take it it is your decision, when he is of college age, to send him to college and give him the opportunity you and Mrs. Gilman have had. I congratulate you upon that decision or upon its fulfillment, as it means so much to the happiness of your son, his usefulness to society, his place in the business career and upon the fulfillment of his civic duties and obligations.

Uncle Sam has told us that by giving him this college education you increase his earning capacity in a lifetime \$40,000. If it were in your power for your son to inherit \$40,000 by your complying with certain requirements, should you fail to do so, you would regard it as practically a case of criminal negligence, would you not. Or course, you would carry out these plans if you were here, but in the event you are not, do you have the certainty that they will be fulfilled, as if you were here.

By the paying of a small rate of interest to the institution that I represent, if you were not here, Mrs. Gilman could look forward with certainty to planning his career, knowing that when he is of college age all he needs to do is to certify that he is entering college and the money will be forthcoming just as if from you, from the unseen land beyond.

Wedding Anniversary

Outline

Mr. Gilman is 45; married; five children. Has just added considerably to his line of insurance. The wedding anniversary policy is in this instance the delivery of an extra.

EDWARD J. McCORMACK, Minnesota Mutual Life, Memphis, Tenn.: The prospect I want for this policy is a man who loves his wife and to whom a sentimental appeal will be of some weight. I want a man who appreciates what the little thoughtful things means to his sweetheart of olden days, who is his sweetheart still. Let him be as caloused as he may be in business affairs, let him be impenetrable absolutely to emotional appeal, where money is involved. This coldness means little when you unfold to him the beautiful and tender message of the anniversary gift.

Recall Asking Data of

Wedding Anniversary

In the majority of cases I do not use this contract as an opening approach. Some day I may because I believe that a great deal of insurance can be written that way. On the other hand I now order out this contract as an extra, an additional or an optional.

I wait until I have settled the details of the delivery of the original policy and then say to him:

"Mr. Smith, do you remember when I took your application I asked you the date of your wedding anniversary?"

His answer is invariably, "Yes."

"Mr. Smith, I had a purpose in that. I believe that you rather regard your wedding anniversary as I do mine—as the Day of Days. As we grow older I feel quite sure that we will hold it even more sacred. Did it ever occur to you that the children may remember at Christmas time, but Mr. Smith, from the first wedding anniversary after you have gone they will forget that on that day she solemnly pledged her love and life to their father. That isn't as strange as it may seem, Mr. Smith, because when it is all said and done this anniversary of your love dedication is a day set apart for you and this little lady. It is a day for you to remember when alive and always to have a fear of forgetting because you know that it would hurt her if you did forget."

Provide Anniversary Gift for Every Year

"Now, my plan is this. Right now we will arrange it so that you will never forget. Here is an insurance contract which agrees to send your wedding anniversary gift to her every year on Aug. 30. It will be a check for \$100 and it will come from you, even though you have gone away years before."

"And then, too, Mr. Smith, I have purposely arranged the premium deposits so that they will fall due on that day while you are alive. You will be notified 30 days in advance. It is for an odd amount. You will know that the anniversary is just one month off and if you wish to see whether she appreciates your thoughtfulness just mention to her when you receive this notice next year, 'Honey, our fifth anniversary is just 30 days off.'"

"Man alive, the smile you'll get will reward you for every deposit you ever made."

"Ten days later when the company says, through its notice, 'We wish again to remind you of premium due!' you can say to her again, 'Honey, our anniversary is just twenty days off.' She will know that her husband is the eighth wonder of the world."

Never Forget Until Day

When You Go Away

"On each anniversary you are here when you make the premium deposit, go down and buy that present and take it home and be thankful that you are alive. We hope this happens year after year and you never forget until the day comes when you do go away. Then, Christmas comes—the children make mother have a wonderful time and try to cheer her up. On her birthday son or daughter will again make that splendid effort to keep mother from getting lonesome. Aug. 30—it's not her birthday, it's not Christmas, it's just a day to everybody in the house, but to her it's Your Day. Her thought goes back—20 years ago—the little church; 18 years, son was one month old; six years, she spent the day with you on that wonderful drive. Last year separation seemed so far away."

Will Show Mother That

She Is Not Forgotten

"The doorbell rings, the postman! Someone says, 'Letter for mother.' It's a big, brown envelope. She opens it. A check. A message. Her eyes fill with tears—not of sorrow, Mr. Smith, but of the same exultant gladness that coursed them down her cheeks when she had to raise her bridal veil to furtively wipe them away. Glad, yes, because even though you are not here to take her in your arms you did reach out through space with the sweetest message she ever heard and it was: 'Sweetheart, you're not alone today—I haven't forgotten.'"

"The premium? Well, let's don't talk about that. I'll leave that with you. Just mail me the check."

What Y. M. C. A. Schools Have Done

ABOUT four years ago I had the very great pleasure of sitting in the Yale Club one day in New York City, talking to Winslow Russell, regarding the possibility of harnessing the energies of the United Y. M. C. A. schools educational system in connection with the training of life underwriters. A little later I had the pleasure of discussing with Edward A. Woods in Pittsburgh the same problem. The results of these discussions finally led to a joint commission of the United Y. M. C. A. school educators and leaders in the educational thought, the training for



SAM C. PEARSON, Kansas City
Northwestern Mutual Life

life insurance men, John A. Stephenson, Professor Lovelace, J. Elton Bragg are numbered among our advisors in connection with this course of training which we are broadcasting throughout our system of schools.

Problems in Connection with Vocational Training

About three years ago I had the very great pleasure of taking a trip across this country and talking before the life underwriters' associations on the problem of training men in connection with our evening courses of instruction. I was very enthusiastically received, and I want to say to you that I never had a greater thrill, for when we summed up the efforts of the work that fall we found that there had been nearly 1,500 men enrolled in the life underwriting classes in our night schools across this country.

The next year we had a fine period of success. However, we recommend to encounter some problems. One was that of instruction in connection with our vocational training work of which we have made a very careful study. We have found this to be true, that men who are engaged on the job in the day time and who can take these special courses of training at night require very special study from the standpoint of the organization of instruction methods.

Really a School of Second Chance

After calling together this commission that I referred to, we outlined and revised our original plans. This last year I had the pleasure of visiting a number of the classes as they were being operated over the country and I want to say to you, that when you realize the fact that these men work hard all day and come in the evening it is really a school of second chance and an opportunity second to none to serve humanity

By A. H. MYER
Director of the Department of Commerce, United Y. M. C. A. Schools

through this method of vocational training.

We have heard a lot said regarding life insurance as a profession, and I shall never forget the inspiration that I got from Edward A. Woods in connection with his efforts when I talked with him regarding life insurance as a profession, but when we consider this fact, we must also consider the responsibilities that go with making this calling a profession.

Profession Implies Mastery of Science

I want to ask you, if I may, this question? Is life insurance a profession? Briefly, a profession is a calling for which men prepare themselves by special study and which they exercise partly, indeed, for gain, but also in accordance with certain ideals of service, commonly called the ethics of the profession. A profession, then, implies the mastery of a science, but, you ask, would you say that life insurance is a science, from the standpoint of underwriting? Let me answer you in this way: The usual understanding of science is that it is systematized knowledge, considered in reference to the discovery and understanding of certain fundamental truths, such as the correlation of a body of laws or principles into an ordered interrelated system.

Practical Application to Affairs of Others

But, you say, is life insurance that? I answer you this way: Life insurance is a vocation in which the scientific application of its laws and principles is used in a practical way in relation to the affairs of others, either in advising, guiding, teaching, or serving interests or welfare.

When the art of your vocation is practiced in this manner it may be called a profession and it is my humble desire to be of some service in the developing of the art of the profession of life insurance so that the individuals who take these courses of training may become professional from the standpoint of service that they are rendering to the public.

Evening Training for Semi-Professional Men

It may interest you to know that in connection with our vocational educational work we have made a very sincere effort to measure the value of this plan of evening training for semi-professional men. It might also interest you to know that we have discovered certain very salient facts for instance, from a group of men, 45 in number, in a calling not so dissimilar from yours. We found that of this group 21 men had taken one course of specialized training; 13 had taken two courses; eight had taken three; three had taken four. The medium score on this rating for those who took one course was 43.5—those who took two courses, 53.5; those who took three, 56; those who took four, 68.

A secondary discovery was that of a course of 17 sessions, 80 per cent of an average year's experience was equal to that, or one course equalled nine and six months of job experience; one hour of class room instruction being equal to 50 hours of job experience.

High Caliber Salesmen Can Be Developed

You might say, "Well, Mr. Myer, does that relate directly to this problem of training of life insurance men?" I cite you these facts because in connection with the problems that we have to face in delivering this training in life insur-

ance underwriting, we very often face the fact, perhaps I should say almost unbelievably that it is possible through this evening course plan of training to develop life insurance salesmen of high caliber and character and professional trained.

I simply cite you these facts because they bear directly on the problem. We are now able to evaluate previous educational experience and application for a given job. I would very much like to suggest that an educational measurement plan be worked out for the rating, measuring, and determining of actual educational values as they apply in relation to this problem of training the life insurance underwriter.

Now Possible to

Grade Educational Needs

It is now possible to grade educational needs, as they relate themselves to the job that we have in hand. It is also possible to evaluate the ability of men for given jobs, for special jobs. I would like to see the day when every man that entered the life insurance underwriting profession should take, and would be obliged to take, an evaluation test regarding his fundamental ability.

The United Y. M. C. A. schools are of the opinion, in fact, we stand on the proposition that all things being equal, a man who with given possibilities, if he will apply himself through the special training efforts in relation to the job himself, will change those possibilities into actualities, the potential will be transformed into dynamic, and it seems to me that if we can be of any service from the standpoint of helping to do this job, it will be one of the finest things and the highest things that we can set for our hands to do.

Must Sell the Idea from the Top Down

I am very enthusiastic over the proposition of crossing this country again in the interest of developing the classes this fall. I have had some very unique experiences. I have talked to men on this problem from vice-presidents and presidents of companies down to agency managers and the men themselves, trying to analyze and profit thereby and put into our training courses of this kind the practice, that which will produce results. I had the very unique experience the other day of having a life underwriters' association say to me: "Mr. Myer, before we can undertake this training problem we will have to sell our general agents on the value thereof."

I say now, gentlemen, that if we can sell this idea, that we talk about in education from the standpoint, not only of the home office, not only of the agency manager, but right straight down through to the man himself, we will have done a job that will have been worthy of our energy and the time expended.

Will Have Done Job that is Well Worth While

I am very thankful of this opportunity of bringing before you not as a representative so much of a great institution, and an educational system that stretches across this country with 400 organized schools that we can put at your service, I am more proud to come to you as a representative of the 3,300 men that have been trained in the course of these three years and I would very much like to submit to you the proposition that if we can work shoulder to shoulder with the man who perhaps has not the chance or the opportunity to take the higher training, but who

must, if he gets training at all, take it through this evening plan, it seems to me that if I can inspire you to cooperate with us from the standpoint of selling your agency managers, selling your companies, selling the men themselves, that we will have done, as I say, a job that is very much worth while.

Actual Results in Connection with Plan

I have just received a telegram from Wichita, Kan., asking me if I will hurry across there and open the class in life



DON L. STERLING, Dallas, Texas
American Life Reinsurance

insurance underwriting at Wichita tomorrow night and if there is anything that will give me a greater thrill than having this opportunity of addressing you it will be to face these men that are earnest and sincere in their efforts to get this training through the plan and the system that I have outlined to you.

Perhaps it would not be amiss for me to cite to you some of the actual results in connection with this plan of training, and I may be able by so doing to visualize to you some of the possibilities in a more concrete way.

Of the men who have taken this form of training throughout the last three years, 35 per cent were experienced men, being in the business one year or more; 30 per cent were full time men but less than one year's experience; 15 per cent part time men, that is, in the transition stage, coming from some other vocation into that of life insurance. Thirty per cent responded to the educational appeal and I submit to you that if we can increase this number, and I know we can, through your help that this 30 per cent will increase and in the proportion of that increase will raise the professional standing of the business in the community.

Up to Individual on Final Analysis

We have gotten back of this proposition with advertising and publicity and all these things count, from the standpoint of special training will be more valuable. Perhaps they will have gained something from the trial and error method but from the facts that I cited you in connection with the relative special calling, you will see that this will be a short cut to real production.

In the final analysis we must leave it up to the individual of course. If he is to make good and if he is to represent your institution to the public in the way it should be represented.



This Is a Good Company

¶ Its officers are all experienced field men.

¶ They know how to help you in a way that gets commissions.

Buy Life Insurance From a Good Company
Sell Life Insurance For a Good Company

The Universal Life Insurance Company

DUBUQUE, IOWA

M. A. NATION, President

Aetna Life's Training Course For Its Salesmen Described

By H. P. GRAVENGAARD

Director of Sales Training, Aetna Life

I HAVE been asked to answer the question why the Aetna Life is putting on a training course. That is an easy question to answer. We are doing it because we believe it pays to do it. Because there was a demand from our general agents, because they believe that it was worth while training and because our home office officials believe it paid, we set to prepare an educational program for the Aetna Life. Nov. 1, we sent out an appeal to our general agents and agents asking them for helpful suggestions in the preparation first of all of a correspondence course.

Our appeal was answered very satisfactorily and we set about making our manuscript. We also had the helpful suggestions of the Life Insurance Sales Research Bureau, of which Marshall Holcombe is the manager. I might say that I know of no work that is more helpful for study of agency building than the Managers Manual which has been put out by the Life Insurance Sales Research Bureau.

Course Is Divided Into Five Booklets

Now it took us three months to prepare our manuscript for the correspondence courses. The printer returned it to us in the middle of April. This correspondence course is divided in five booklets. We felt that was a logical division of the material, and briefly the material is this: The first booklet is "The Life Insurance Man of the Future." We believe that the life insurance man should know that we want capacity men in our business, that he must be physically, mentally and spiritually fit for that great vocation and so we try to impress that upon him in this booklet, also stressing the value of training.

The second booklet contains the origin and development of life insurance, the early history of life insurance in the United States, the early development of life insurance in Connecticut, and then more in detail, a history of the Aetna Life. We believe that a man must have faith in the institution of life insurance and most of all have faith in his own company. If his work is founded on that faith we are sure he is on the right track.

Discuss Functions and Fundamentals

The third booklet is divided into two parts: The first part is a brief discussion of the functions and needs of life insurance. The second half is a brief discussion of the principles or fundamentals of life insurance. If a man knows something about the fundamentals of life insurance, then he has faith in the institution of life insurance.

The fourth booklet is a trip through our rate manual discussing all our policies.

The fifth booklet is a guide in the study of selling methods and we stress the minimum program of selling life insurance. We require three textbooks with this course and when I say require, we ask or we demand that each man who is enrolled in this course take the three books that go with the course. He cannot borrow these textbooks from someone else for study. No life insurance man can be satisfied with less than three books in his library.

Three Books Students Are Required to Read

Three books that we require are: First, Dr. Lovelace's book "Analyzing Life Situations." That little book is one of the finest and one of the most helpful books that any life underwriter can get. There is no book that can

help you analyze a man's situation like that. There is no selling talk that will help you more than the minimum sales plan that is contained in that book. The second book is Dr. Stephenson's book on the "Selling Method." The third is Mr. Alexander's book on "Life Insurance—What It Is and What It Does," which is very brief, the briefest perhaps on the fundamentals of life insurance. We require that they have these three books.

Recommendations From General Agent Required

Now, this course was sent out to our general agents in the middle of April. Three days later we received the first application and with every application we ask that the general agents give us recommendations. We don't want to have any man start on that course unless he means business, and unless we receive the general agent's recommendation, and we hold the general agent to an honest and sincere recommendation.

Now, that was a bad time to begin. We were right in the middle of our great three-months campaign, and right after that came the summer months, but up to date we have more than 800 enrolled and more than 75 have finished the course. Now, we think that is very good, because there are 25 lessons in that course and we figure that a man was doing well if he finished one lesson a week and at that rate we have only been going twenty-four weeks, so we should have been satisfied if none had finished as yet.

Men Taking Course Say That It's Worth While

Now, you might ask: Is that course really worth while? I don't know. I only know what some of the men tell about it who have taken the course and have made a sincere and intelligent study of it, and we have letters in the home office from men who have been in the business more than 25 years who have taken that course and feel that it has been really worth while.

The course was primarily designed for new men, but in the past the old men have been using it. That is because we didn't have anything else. We have just passed over our whole agency force. I imagine there will be a few old men taking the course and we will demand that every new man who signs a contract with the Aetna take that course as first preparation for life underwriting.

Second Step in Program Is Traveling School

The second step in our educational program has been a traveling school, which might be called a post-graduate course. We are taking the instruction into the general agency where the men are gathered from the field. The men pay their own expenses there. The general agent must provide a room for the school and stand all the expenses incident to the holding of the school.

The first school that we put on was in Milwaukee last June. We had 37 men, and 36 of them finished the course. Fifteen of these men were from outside of Milwaukee.

These schools last for three weeks and we have school six days a week for three weeks, three sessions every forenoon. The first session is from 9:30 to 10:15. In the first week we discuss the functions and needs of life insurance. The second week we analyze the six cases contained in Dr. Lovelace's book, and the third week we take up the cases that the fellows round up in the field while they are there.

Training Is Needed To Render Service That Public Demands

By DR. CHARLES J. ROCKWELL

University of Pittsburgh

THE value of training is largely measured by the need for it. A thing has a greater value when there is a greater need for it. I will take the liberty now to say something that I hope will start you thinking and let you think it out for yourselves.

Elbert Hubbard once said, "I don't care whether a man agrees with me or not, but if he intelligently disagrees with me I have done a service, as I have set him thinking." The public expects a degree, a quantity and quality of service from us. They are hopeful, turning to us for service and help in all their various problems of life and are not always getting what they really were expecting they were getting.

Guns Often Turned In Wrong Direction.

We speak very freely sometimes about protection for the home. If you mean by that support of the home, we sometimes very inadequately support the home, either in length of time or in breadth of support. If by that we mean protection for the home we sometimes turn the guns which should be the protecting feature in the wrong direction and the firing of the gun simply attracts attention to the direction from which the firing was done and with the ensuing consequence of making the target all the more attractive.

On the other hand, we may look at it this way: Life insurance in spite of its wonderful strides and bounds today is no more popular by itself than it ever was, representing as it does an act of self denial on the part of the one who takes it, but life insurance when harnessed to and geared up to the assistance of men in their desires and their responsibilities becomes a very attractive subject to them, but, standing alone, it is not attractive any more than it was.

The second session is from 10:30 to 11:15. The first two weeks is devoted to a study of selling methods. The third week we drill in selling plans, emphasizing the minimum program of selling life insurance.

The third session is from 11:30 to 12:15. The first week is devoted to a brief study of the fundamentals of life insurance, and the last two weeks to a trip through the rate book. We also have an hour for salary budget, a forenoon for accident and health, and a forenoon for group and wholesale. That comprises the class-room work. In the afternoon the men solicit in the field, and we have a daily report blank which they must hand in every day, indicating the number of calls, the number of interviews, policies and how much paid for and then also the number of leads they get from each call, which we feel is very important.

This, we feel, will help the men overcome one of their greatest problems, which is supervision. That is as far as we have gone in our educational work in Milwaukee.

Good Results Obtained by Men Taking Course

You might ask: Did it pay? Well, all the fellows feel that it did. During the course, they sold \$245,000 of ordinary life, \$712,500 of group and wholesale, and \$1,107 of accident and health premiums and since then their work has indicated that it is worth while.

We have our plans laid for the coming year. That is all the work that we have done so far, and I tell you just this, in closing, that it is a mighty wonderful thing to be engaged in a task that helps make a man worth knowing.

Now then, when you stop to think that life insurance has to do with every wealth getting and every wealth using plan of men, you can see that the adaptations of life insurance are almost endless and I will say this: If life insurance, as it does, touches the problems of taxation, the problems of investments, the activities of the law, touches the activities of business and commerce, touches all sorts of fiduciary capacities and relationships, touches the descent and distribution of property, touches the problems of banking, and touches sociology, and we are sup-



DR. CHARLES J. ROCKWELL
University of Pittsburgh

posed to be competent advisors to men in all of the problems that come from all of these different angles, I leave it to you if there isn't need for the study which is being presented in every one of these different devices which has been presented to you and whether any one of them by itself is sufficient to the demand and the need and the expectation of service in these regards which our clients are expecting of us.

Another thing we do know is that after all the practical presentation of any solution for an economical or social problem is just as important as the merits of the solution and therefore a training, a knowledge of human nature in the search for motives for buying life insurance and a knowledge of the human reactions and human behavior, that those things shall be presented in a favorable light, are important parts of training.

Value of Training Rests on Need for Training

The value of training rests on the need for training. On the other hand the value of training is another thing and that is this: If we ever hope to elevate this calling of ours into a professional status, ever expect it to reach professional height, we will be obliged to create for ourselves an entirely new type of a profession, but, nevertheless, some things must be done as in the old profession.

The first thing is this: That a certain amount of sacrifice is demanded for every one who enters any professional activity in life. He must make a certain sacrifice to get it.

The second point, he must reach a certain standard which has been imposed by that profession itself, and in the next place he must be competent to act in an advisory capacity in any one

Continued on Page 26

How Oklahoma Agency Trains Men

Problems of Organization with a Widely Scattered Territory in the Development of New Salesmen

By C. C. DAY,

General Agent Pacific Mutual Life, Oklahoma City.

MY SUBJECT has nothing whatsoever to do with the processes to be employed in the recruiting of men, but deals with the problem confronting us in the handling of those men after they are recruited.

I am not making any statement in order that I might produce debate. I have been asked to give you an idea of what our little agency does in the way of educational training of agents. I am not commending our plan to you and am not here to urge that you use or adopt it. We use it; we like it and we are to continue to use it, directing particular attention to the question of agency selection in order that our future results can be made more effective. Under our interpretation of the subject, it is not possible that I get into a proper discussion of it without building a background and without exposing the foundation stones upon which our idea of the scheme rests.

Problem of Widely Scattered Territory

First, let me give you our problem—a widely scattered territory. Even though our office is located almost in the geographic center thereof, we are removed 240 miles from one of our agencies. One agency in northeast Oklahoma and another in southwest Oklahoma are 450 miles apart. There are but two cities in the territory boasting of 100,000 population each. The territory is industrial and agricultural. A city agency exclusively is impossible. An agency even making possible weekly contact is likewise not possible because of scattered population. Those problems must be taken into consideration in the adoption of any educational plan which might be effectively used. On that account, we must adopt some form of educational training if we subscribe at all to education, and we most certainly do, which can combine the benefits of the correspondence course with the benefits of a personal-contact lecture course. That is the basis which we have employed in the development of the plan which I am discussing.

The first step in education is in the selection of the material to be educated. Education will not do any good at all for the wrong man. Education is as expensive in the case of the wrong man, as it is in the case of the right man. That being true, we in our organization, attempt to do everything we can to keep out of the business those men who are not adapted to it and who should, accordingly, not be in it. Regardless of avowed rules of this character, we find a great many general agencies who do not adhere closely thereto.

Three Points on Which Success of Plan Rests

To be able to sell life insurance is not the only requisite of our standard. Many men who can sell, and who have made sensational flashes in proof thereof, graduate from the business when necessity for development of a clientele appears and in reality, a clientele is necessary where success is permanent.

The success of our scheme, then, rests upon our ability to:

1. Get the right man,
2. Get the right attitude in that man,
3. Get him to a proper understanding of the business and the responsibilities which are assessed against him should he launch into the business.

So, in reality, our educational courses commence with our first interview.

In the presentation of life insurance to a prospective agent, we divide that

presentation into three distinct brackets.

1. The business itself, its functions and its sentiments; the estates of men and the expert knowledge required to help men round out their estates; the home and family responsibilities—the complete cycle of life insurance operation, if that is possible—and the discipline that will be required and the service and the loyalty that would be expected; the responsibility that the agent should feel toward society; in fact as complete an outline of the big side of our business as it is possible for us to convey through interview.

2. Compensation possible through success. (I do not refer here to our commission schedules. Money is not made from commission schedules. Money is made through the successful selling of business.)

3. My company, my agency, and our equipment.

Get Across First Idea, Or Go No Farther

If I fail to get across in No. 1, if the reaction is bad and there is anxiety on the part of the prospective agent to eliminate that and rush into a discussion of our commission contract, then we go no further. In my mind, it is essential to success to have the proper acceptance of the ideas outlined in the first bracket of our presentation. (I refer here to that portion of our presentation detailing life insurance as a profession.) That must come at the start. I have never known it to result after an improper start.

In the event the reaction to No. 1 (I refer again here to that part of our presentation outlining life insurance as a career) is correct we call for a second interview, asking in the meantime that the prospect go very carefully into a book which we give him for study and which deals intimately with life insurance as a career.

Requires 10-Day Course Before Final Decision

At the second interview, if his attitude is right and he manifests an interest and expresses a desire to join with us in this work, we then bring into play our 10-day course. This course deals with the functions of insurance and very briefly with the mechanical side of the business. We ask that this course be taken prior to any decision, either on our part or on the part of this prospect. This is deliberate, but at the end of ten days most men look different to me than at the first interview. And at the end of ten days' thought, this prospect can draw conclusions pretty intelligently and draw these conclusions upon his own knowledge and upon his own enthusiasm. I prefer to spend some time in the elimination, and this 10-day course is really our elimination hazard. In the event of elimination, we have concentrated our time loss rather than to let time itself do the eliminating, a process which is expensive both in time investment and in the morale of the agency. Failures interfere with the success of others.

Fourteen-Week Course If Contract Is Made

We do not attach as much significance to the grades made in this 10-day course as to the mental attitude produced through the course.

If a contract is made at the end of ten days, the ten-day course is then reviewed carefully in the office, and the 14-week course, a company correspondence course, is started. This 14-week course deals with the fundamentals of life insurance, our own policy forms and with salesmanship as applied to life insurance. During the conduct of the 14-week course, three lectures are given, the agent either being brought into the office for that purpose (and that's preferable) or if that is impossible a supervisor to go out from our office for that purpose. These lectures are timed with the progress as made in the course and deal with the practical application of those things which have been discussed in the course, as well as to deal with the practical application of salesmanship methods. One of these lectures is at the end of the fifth week, one at the end of the tenth week and one after the final examination. Each weekly lesson is followed by a weekly quiz-paper and those quizzes are assembled for grading only after completion of the entire course. We follow this detail very carefully, insisting that promptness be employed and insisting in every event that the course be carried through to conclusion within the time limit as originally outlined.

Standard Textbooks Must Be Absorbed

During the conduct of the course, we ask that certain standard textbooks be absorbed—textbooks of a constructive character which will assist the new man in forming proper ideas as to the significance of the business; as to the stability of his product; as to the organization of his time and as to a knowledge of the proper presentation of his product. We prefer not to turn our supplies over until five lessons of the 14-week course have been taken; however, if the 10-day course has been satisfactorily handled we will, everything else being favorable, turn supplies over when the 14-week course is started.

Results Accomplished By Deliberate Plan

This is the idea we have as to the results accomplished by this very deliberate plan:

1. The business is dignified in the mind of this new man. In attempting to attract better men, we find that it is very easy to discount the real merit of our profession, doing this by making the process of entrance too simple.
2. Every man is better equipped to give the quality of service to which the buyer is entitled, should the buyer rest his case with us.
3. Preliminary knowledge and understanding, which he must ultimately possess, the attempted acquisition of which in the school of "trial and error" has eliminated so much fine material from our ranks. The appreciation of the necessity of work, and an early understanding of his responsibilities to provide the urge for work.
4. An understanding and early acceptance of discipline.
5. A loyalty to company, agency and business, which does not usually come where this educational detail is omitted.
6. Reduction of turnover in exact proportion almost to the quality of selection.

This last item is consequential. If the companies and the general agencies alike enter into the training of men at the recognized cost of such activity, we, alike, are going to be more careful where we spend that money. That cost today is prohibitive, a concealed figure, concealed like the economic waste in life loss, and is spread over the entire institution of insurance, but most extravagantly spread in the point of first



C. C. DAY, Oklahoma City
Pacific Mutual Life

contact—the agency—your pocketbook and mine.

Education seems to me to be the solution, and even in the abbreviated form, which we are forced to resort to in our agency, seems to predict more care in the selection of men with a consequent improvement in:

1. Quality of men,
2. Quality of service,
3. Quality of persistence, both in men and in business,
4. Quality of men to be attracted,
5. Quality of profit to the general agent.

Can't Control Regard If Idea Can't be Sold

You question whether or not this can be practically done. You say that the student lapse ratio, as reflected by correspondence courses, is prohibitive. I agree with you. I have this day received a letter from my company and these very disastrous figures can not but result in discouragement at the home office, in that they seem to reflect the inadequacy of the plan and the lack of interest in education. My answer to that is that the fault rests with you. You cannot offer education to men in a "here it is, take it or leave it, as you like" attitude. I make this statement and I rely upon it. With old men this may be a problem, but with new men (and that really is the element to which we in our business are addressing ourselves today) if I have not the faculty of selling them upon the necessity of this form of training and selling them so thoroughly that they will follow it through to conclusion as a part of the discipline of this business, then I have not the faculty of controlling their regard and their respect sufficiently to ever make them worth while in my organization. The effectiveness of this form of education

must find origin in the determined enthusiasm of those who are attempting to utilize it.

Too Expensive to Give Equipment to Part-timer

I might add this in conclusion: Our agency is not the largest in the territory by any means. We are producing about \$4,000,000 this year from 24 contracts. There isn't a part-time man in the agency. We do not make part-time contracts. It is just as expensive to give equipment to the part-time agent as it is to the full-time man,



T. F. W. NORTON, Toronto, Can.

even if the part-time agent would take, and he will not.

I want you to get this figure: Every man in our agency, old and young alike, has taken the maximum of our own training courses and from our own ranks we drew six men in 1922 to take our educational course as conducted at Oklahoma University and again six in 1923 for the same course, and again eight in 1925 for that course just concluded in Oklahoma City by Dr. Lovelace and his faculty.

No one discounts the advantage of this higher form of educational training, such as has been conducted by Dr. Lovelace and others. It is much easier to get men to take it who have been started in some form of educational interest and while the time is apparently far removed, when these well directed educational courses can be conducted regularly in our territory, we are going to continue to substitute in the best way we can in that form of educational training outlined above which is helpful to the struggling beginner and which has proven, insofar as we are concerned, to be a profitable undertaking.

SHUFF GIVES TALK

John L. Shuff, general agent of the Union Central Life at Cincinnati, and a past president of the National Association, gave a talk before the Kansas City, Kan., Chamber of Commerce yesterday on "The Greatest Thing in the World" and gave a similar talk before the Kansas City, Mo., Chamber of Commerce this noon.

How Assault on Life Insurance Was Turned into a Selling Aid

IN the symposium Thursday on "Family Protection," Otho R. McAtee of Springfield, Mo., discussed "An Insurance Estate." He said:

Calling on the manager of a feed store in a small town with our local agent, we found many loafers in the store, to whom the writer was introduced. One of them was introduced as follows: "This is Mr. Jackson—the original Andrew Jackson. He came down here from Iowa to loan money to the farmers." Mr. Jackson said: "What did you say your business was?" I replied: "The life insurance business." Jackson said: "I'm sorry for you."

Not knowing what else to say, I mumbled something about being grateful for his sympathy—to which he replied: "I've got one of them damn policies in the Mutual Life of New York that a man in the insurance business hooked me with, and I cuss a blue streak every time I pay for it. If there is any business in the world there is nothing to, it is the life insurance business." And so on, ad infinitum.

No Sympathy from Audience for Life Insurance Man

The writer never listened to more abuse of his chosen profession from one man in so few words as that indulged in by this Mr. Jackson. It was necessary to listen because there was no hesitation in his flow of language, and furthermore, it seemed a pretty good rule of selling to follow to say nothing when one didn't know just what to say.

To make matters worse, the audience—I use the word advisedly—the audience seemed somewhat amused, as if to say, "Here is one life insurance man that's getting what's coming to him."

Jackson slowed down eventually for want of words and opposition and having recovered my faculties after this unexpected onslaught, the writer returned to the fray as follows:

"Mr. Jackson, did I understand you to say you were in the farm loan business?"

JACKSON—"Yes, sir," in a very emphatic manner.

McATEE—"Did you ever take a farm away from the owner because he could not pay his mortgage?"

JACKSON—"Yes, sir, I certainly have."

McATEE—"Have you one of these farms in your possession now?"

JACKSON—"Yes, sir, I have one just a mile from this town."

McATEE—"Do you want to sell it?"

JACKSON—"I'll sell anything I have at a price."

McATEE—"What is your farm worth?"

JACKSON—"It's worth every cent of \$5,000 to any man."

McATEE—"Now, Mr. Jackson, is your farm worth \$5,000 or are you just saying it's worth that much? Will you guarantee it to be that much?"

JACKSON—"Didn't you hear me say it is worth \$5,000? Yes, sir, I'll guarantee it to be that much?"

McATEE—"And you want to sell it, do you, Mr. Jackson?"

JACKSON—"Say, what's the idea, anyway, of all these questions? Do you want to buy a farm?"

McATEE—"I was thinking, Mr. Jackson—it seems you have had a raw deal from an insurance man. It's been a pretty bad deal for you, hasn't it?"

JACKSON—"Yes, sir, it certainly has. Every time I pay that \$174 premium I feel like I was throwing that much money away."

McATEE—"Then if it's been such a rotten deal for you, Mr. Jackson, it's

been a pretty good one for the company, hasn't it?"

Jackson affirms this with another explosion.

McATEE—"If you could take the company end of the deal, you ought to make a lot of money, Mr. Jackson."

JACKSON—"I wouldn't want a better graft than that, sir."

McATEE—"I'll tell you what I will do, Mr. Jackson. I'll just give you a chance to get even with a life insurance man. You have been handled pretty rough by one of them so you say. You have a farm to sell. You understand that the terms of a life insurance contract are particularly beneficial to the contracting party, the company, I'll just buy your farm on the same terms as the terms on which you bought your policy. What do you say?"

JACKSON—"I say, young man, that you have bought a farm."

McATEE—"Go make your paper, Mr. Jackson, I'll ask these gentlemen to witness that I have made my first payment binding this contract," (handing Jackson my personal check for \$174—amount of his annual premium.)

JACKSON—"Now wait a minute—Let's understand this—What papers do you mean?"

McATEE—"Mr. Jackson, you have been a real estate man for many years, according to your own statement. Is it possible that you don't know what papers to make when you sell a farm?"

JACKSON—"But I said that I held this farm at \$5,000, and you have given me a check for only \$174."

McATEE—"Mr. Jackson, people usually get into trouble when they presume to advise about matters on which they know nothing. It would have paid you to have confined your remarks awhile ago to the real estate business. You have sold me your farm on the same terms as those on which you bought your life insurance policy, and I have made my first payment, binding the contract. Here are my witnesses. Now I want the papers made out immediately."

JACKSON—"But I don't understand this deal."

McATEE—"You said you were from Iowa, Mr. Jackson. It may be that the people from that state can't be shown. But for your information, we make it a business to show them in Missouri. I'll proceed to explain to you the nature of the contract you have made with me. Your life insurance policy calls for annual deposits of \$174, or 3½ per cent of its value, for 20 years, at the end of which time you will possess a deed to it that will be unincumbered, the mortgage having been retired. I am making you a similar payment. You will make me a deed to this farm, in which you will agree that if I die you will cancel all unpaid installments, deed the farm clear to my estate, and cash it for them at \$5,000 if they desire. You said you would guarantee its value. This guarantee is in your life insurance policy. You will agree further that if I become tired of my deal that you will refund to me approximately all of my payments and take the farm back, in accordance with the non-forfeiture tables in your policy. Or, if I desire to cease making deposits, you cannot take the farm under the mortgage, as you have been accustomed to doing, but you will run a fence across the proportionate part of this farm that I have paid for, and deed that part of it clear to me, taking back the rest of the land. You will pay the taxes on this property as long as I own it. The life insurance company does that for you under your contract. Now, kindly make your papers. I have my witness—you have my payment. I shall

be obliged to bring suit against you for breach of contract unless you proceed."

JACKSON—"I didn't understand it this way." Edging toward the door, he lays my check on the counter and slides out the door. "Audience" laughs. Small boy says, "I'll bet that old devil will keep his nose out of other folks' business after this."

Prospect, who up to this time had said nothing except to make the introduction, says: "Well, Mr. McAtee, I'm from Missouri, all right—you have shown me. What will \$5,000 of that cost me?"

We went out with the application and settlement without further effort at a sales talk.

New Committeemen

The executive committee of the National Association of Life Underwriters includes one regular member from each local association, elected for the term of three years.

The following associations have reported the subjoined names as members of the national executive committee with terms to expire immediately following the adjournment of the 1925 convention:

Akron, O., C. E. Way.
Baltimore, Md., Leonard A. Spalding.
Birmingham, Ala., Herman J. Baum.
Buffalo, N. Y., Harvey Weeks.
Camden, N. J., Louis F. Paret.
Charleston, W. Va., Allan Waters, Jr.
Chattanooga, Tenn., Edward E. Brown.
Dallas, Tex., Don F. Safford.
Denver, Colo., W. W. Winne.
Jamestown, N. Y., William J. Bentley.
Memphis, Tenn., H. G. Allen.
Peoria, Ill., Sam Rosenberg.
Portland, Me., J. Putnam Stevens.
Raleigh, N. C., J. A. Sheets.
Richmond, Va., Gaius W. Diggs.
San Francisco, Cal., S. J. Vogel.
Sioux City, Ia., T. B. Hutton.
Sioux Falls, S. D., P. J. Crandall.
St. Paul, Minn., Michael J. Dillon.
Washington, D. C., Earl D. Krewson.
Wheeling, W. Va., Thomas B. Sweeney.
Williamsport, Pa., Herbert M. Brubaker.

Worcester, Mass., Geo. W. Baker.
Zanesville, O., L. E. Brelsford.

This leaves vacancies on the national executive committee with terms expiring in 1928 for the following associations: Albany, N. Y.; Ashtabula, O.; Beaumont, Tex.; Bridgeport, Conn.; Butler, Pa.; Canada; Cedar Rapids, Ia.; Charleston, S. C.; Charlotte, N. C.; Connecticut; Duluth, Minn.; Fargo, N. D.; Fort Dodge, Ia.; Fresno, Cal.; Gary, Ind.; Greenville, S. C.; Hagerstown, Md.; Hartford, Conn.; Houston, Tex.; La Crosse, Wis.; LaFayette, Ind.; Long Beach, Cal.; Los Angeles, Cal.; Madison, Wis.; Marion, O.; Milwaukee, Wis.; Minneapolis, Minn.; Newark, O.; Providence, R. I.; Roanoke, Va.; Rochester, N. Y.; San Jose, Cal.; Santa Barbara, Cal.; Sedalia, Mo.; Springfield, Mass.; Springfield, O.; Syracuse, N. Y.; Tacoma, Wash.; Terre Haute, Ind.; Waukegan, Wis.; Wichita, Kan.; Wilmington, N. C.; Casper, Wyo., and Yakima, Wash.

Joseph D. Bookstaver

head of the famous Bookstaver agency of the Travelers in New York is one of the country's most energetic and successful personal producers and agency builders. At noon on Wednesday, Mr. Bookstaver gave a luncheon to the members of the insurance press attending the Kansas City convention and extended to them a personal invitation to attend the annual convention of the Alumni Association of Approved Life Insurance Schools. Mr. Bookstaver is vice-president of the organization.



Law on College Training Courses

Oklahoma Man Went From Zero to Million in Year

By RUSSELL L. LAW,
General Agent Northwestern Mutual, Oklahoma City.

BELIEVE that everyone, nowadays, believes in education. It seems hard for me to believe that there is anyone who does not believe in life insurance education and training. Most everyone will admit that only those who have made an exhaustive study of their results, or have had some personal experience with life insurance training courses, are in position to judge of their merits or demerits. I do not feel that I would be in a position to say that I know that the university courses in life insurance have been a success as they were originally given at Carnegie Tech and are now being given at New York University and at the Universities of Pittsburgh and Denver and as they have been given by the various faculties of these schools at a number of the larger cities throughout the country, were I not able to apply the test. I would not be in a position to say that these courses solve some of the big problems in life insurance training had I not had some personal experience with the university courses. I am thoroughly sold on the necessity of life insurance education and training. I am thoroughly sold that these university courses are one of the best mediums through which an underwriter can receive education and training; so, for these reasons, I am going to talk to you very largely from personal experience and I hope you will pardon my personal references. I know of no other way by which I might so well convey my message. I do not cite my personal history because I like to tell it, but for the reason that I believe I am an average man and mine is a specific case; what it did for me, it has done and will do for others that are in the business or are about to enter it.

Sold as Part-Timer

Getting Through College

I first contracted as an underwriter with my company in 1914. I sold as a part-time agent while in college. I was specializing in college on a subject very foreign to life insurance. The life insurance that I placed while I was doing my academic work was taken by fraternity brothers, friends and acquaintances. It was not sold, it was taken. It was not sold because I, as the salesman, had such a meager conception of the function of life insurance. I was not sold on life insurance myself except in a perfunctory way. I believe that I was not different in these things from a great many people who enter the business of life underwriting. I left school in the spring of my senior year and joined the army. When I returned home in the early part of 1919, I was out of touch with the profession that I had prepared for, and, while I had plenty of opportunities at this time to go to work on a salary, this did not appeal to me. I had a brother and a very close friend who were operating, most successfully, a partnership district agency. They were good salesmen and they prevailed upon me to enter the life insurance business. I was not, however, sold on the business as a profession, but this was not their fault; I was not even convinced that life insurance was such a wonderful thing for the man who would purchase it from me, and this was not their fault.

Experience Same as

Eight Out of Ten

I am sure that the work, education and training given me by my district agents was equal to, or superior to, that which most agents receive. My experience was the same as the experience of about eight out of ten men who enter our business. I did not like the business and I quit after six months of unsuccessful endeavor. During these six months, I never made a sale except with the help of one of my district

agents. To me soliciting was a most harassing thing. I quit and was determined to stay quit as a life insurance salesman. I blamed no one for my failure, not even myself.

I then went into business for myself, a business that was quite speculative. Early in this experience I was caught in the maelstrom which affected many investments immediately after the war and I went through what I then thought was a terrible experience and one that I never could recuperate from. As I look back upon that experience, it was one of the best things that ever happened to me, for, just at that time when I was floundering out of this business, my former district agents were being promoted to a general agency.

Took Eleven Weeks' Course at Carnegie Tech

The life insurance school at Carnegie Tech, under the leadership of Dr. Lovelace, was just beginning to function. My former district agents wanted to send some men to this school. They were like most of us, they wanted to get agents and they wanted them trained. They evidently still had some faith in me for they prevailed upon me to take this eleven weeks' course at Carnegie Tech. As I said before, they were good salesmen and they sold me the idea of going to Carnegie Tech. They sold me nothing else. They were sold on the business of life insurance, but they could not convince me that it was a business to which I wanted to devote my life. I was not any more sold on the business than I was a year before when I entered the business. However, I felt that it was an opportunity for me to reorganize myself and make further preparation for that big job which I hoped some day to fill. In this I don't believe that my feelings were entirely different from those of many other people who enter our business, and that was the spirit with which I entered the school of life insurance at Carnegie Tech.

Began to See

Uses of Insurance

I had been in this school but a very short time when I began to get a bigger and broader vision of the functions or uses of life insurance, of what a man could do for his family and business through the medium of life insurance. I began to see the possibilities of service and I began to realize that there was a big job for the man who was prepared to take advantage of its many opportunities. I began to picture myself as a successful life insurance man and the more I looked at the picture, the more that picture appealed to me. As this training progressed, respect and love for the business developed within me. I began to think of myself not as a salesman of life insurance, but as provider of needs for the widows, the orphans, the business and the estate, through the medium of life insurance. I began to think of myself, not as a salesman who was going out merely to sell a policy for a profit, but I began to picture myself as a real benefactor to the insured and his beneficiaries.

Will to Serve

Needs of Clients

This is the first essential of success, an understanding of what can be done for our clients and a will to serve their

needs. The result was that at the end of this eleven weeks' period the picture had entirely changed. I could see pleasant things in this business. I could see an opportunity to make money and lots of money. I could see an opportunity to grow and develop in this business as I could see in no other business. This is the changed picture which eleven weeks' university training course gave me.

My vision had entirely changed. I have not exaggerated the change. I have not done justice to an expression of the change which actually took place in my case. Let me repeat that before this university training course I had thoroughly disliked the work; it was very distasteful for me to conduct an interview and, naturally, under those circumstances, my interviews were not effective. This within itself, was enough to make me dislike the business.

Developed Confidence and Self Assurance

The mysteries of legal reserve life insurance were a puzzle to me. I did not seem to be able to get hold of a thread that would unravel the complexities and these were things which I found essential to know after I left off soliciting fraternity brothers and acquaintances. I learned a lot about these things in my eleven weeks training. The fact that I thought I knew, worked wonders in developing confidence, poise and self-assurance. I had learned something of the principles of life insurance. I had learned something of the functions of life insurance. I had learned something of the practical methods of life insurance salesmanship. I had learned to speak the language of a life underwriter. I had learned how needs could be filled through life insurance and how to make these needs clear to other people.

Steady Growth Past Million Mark

What did these things do my personal production? In short, they meant success instead of failure. I was the same man who entered the life insurance business the year before, except that I had had a university training course. What it meant expressed in terms of production is: Six months before the training course, no production except that written by my district agents in my presence, and six months after the training course I paid for, without the direct assistance of my district agents, \$354,000 of business. The difference in production amounted to a good deal, but the big difference was that I felt that I was a success and liked the business, while in my former experience I was convinced that I was a failure and disliked it. The following year I paid for \$750,000 of business. The succeeding year \$900,000 and the year after that I entered the \$1,000,000 class. This was done in a city of 65,000 people. In my case I attribute my personal production to a change in mental attitude, and to the securing of a proper equipment, which was gained only through this university course.

Shortened the Road and Made it Pleasant

It is possible that I might have succeeded as an underwriter without this

training had I continued in the business, studied hard and seen the people. But without this training I am convinced that I would have become discouraged again and quit before I had traveled far enough along the hard road which leads to success through experience. This training course shortened the road of experience for me and made it pleasant instead of unpleasant. It made me like the business and kept me in the business. These training courses will make some of your men like the business and continue in it with pleasure and success instead of having to travel the hard route of trial and error which often causes them to



E. W. OWEN, Detroit

dislike the business and eventually leave it for other business which they think will be more pleasant for them. A man may work hard as a ditch digger, at a job he does not like, to earn bread and butter, but if a man is not actuated by some deeper joy and desire than sustenance, he will never make his maximum success as a life insurance underwriter.

Small Percentage Still Fail

Because I have talked about myself, I hope there is no one here who thinks I am the exception instead of the rule. Fortunately, for me, as a special agent, I worked in an agency where the majority were university trained men. A small percentage of these men did not succeed. There is nothing unusual about this and nothing discouraging about it, because every business or profession has the same experience, but the significant fact is that the majority of the men in this agency, who have taken these university training courses, can make just as strong a testimonial as to what the training has meant to them as I have made here. I am not speaking for the general agents of this agency to which I am referring, but I believe I am safe in saying that these

general agents are as thoroughly sold on the value of this training as any man whom they have now, or ever have had, associated with them, and if this agency has had a different experience from that which you have had, let me ask you not to condemn the training as given by the universities, because of the failure of a few men. If it has been your privilege to observe a sufficient number to draw a conclusion, and still you are not favorable to such training, let me ask you to check carefully the qualifications of the men whom you are judging.

Gave Organized

Knowledge of Insurance

The thing that Carnegie Tech and this course did for my own personal production was to give me organized knowledge of life insurance, a plan of sales, a vision of my business, a knowl-



C. C. GILMAN, Boston
National Life of Vermont

edge and understanding of the principles and functions of our business, the big opportunities that are open to life insurance men, the great big field that is open to us for service. The realization that here is a business that affords me the opportunities to accomplish the things which I want to accomplish in life. Tell me where else such an understanding could come from? Tell me if you, in your own mind, don't think such understandings are necessary to success. Tell me if, without these understandings, you have not seen men who measured well, yet failed?

Training Helped Also in General Agency Duties

In due course of time my company needed a general agent for the western half of Oklahoma. They selected me and I responded to their call. At this time I thought I had received all the benefit from this university course that I would receive. The training was my salvation as a personal producer, but I had not thought that it would be of any special benefit to me as a general agent. Up to this time I had not given much consideration to the problems with which a general agent is confronted, because I had been too busy with my duties as a special agent. I found, upon becoming general agent, that, perhaps, the greatest benefit which I had received from the course was in using it as a basis upon which I could train and develop my agents. I had an understanding of where to start and it saved the agent and general agent much time. It was not possible in the field that I am in, and under the circumstances, to send my agents to the University of New York, the University of Pittsburgh or the University of Denver, but it was, in my opinion, imperative that they receive some training. Having had this course, I felt that I was in better position to

give them the right kind of training than, perhaps, I ever would have been, even in five, ten or fifteen years of additional experience, had I not received this training myself.

Definite Idea of

Type of Agent Desired

Not only this, but I had received a vision of selection. I had formulated in my mind the type of an agent I wanted in my organization and the kind that I wanted to spend time and money upon in training. I am thoroughly sold on the idea that the time has passed when an agent can be given a rate book and an application and told that the country is full of prospects, that he ought to write a big volume of business and make lots of money and that we are praying for him and that it is up to him to do the rest. That kind of training won't help many men to make a success. Instead of working upon this basis, because of the work which I have had, I am able to give my agents a brand of training based upon the things learned at Carnegie Tech that makes them like the business, that puts them so that I believe they will not be satisfied with one, two, three or four hundred thousand dollars' production if they have the ability to develop to the point where they can double or treble this amount.

Trained Agent

Continues to Learn

I wouldn't have you get the impression that I think the agent is a completed product or needs no training or supervision after he completes a university course of training. On the contrary, I think he needs the most careful supervision because this agent has learned the value of study, his mind is open, he wants to know more, he wants to learn as much about his business as possible. If the course would just do this and no more, would it not solve many of your problems? How many general agents have difficulty in getting their agents to read and study some of the many good things that are published? How many of you have worked hours and hours over an idea for a bulletin to your agents and later learn that the bulletin was never read or, at least, never digested? The university trained agent wants to sell upon a correct basis of needs and this is one of the big differences that I notice between the agents who have taken these courses and those who have not. Another difference that I notice is that the trained agent is usually loyal to his company and organization. It has been my good fortune to work in a general agency where they were both university trained men and some who were not trained. The difference is tremendous, but it can only be appreciated by the observation of a group.

Brought the School

Out to Oklahoma

We, down in Oklahoma, learned that it was possible for us to get Dr. Lovelace and his faculty down from New York to hold a school for us this summer. Of course, only general agents and managers were enthusiastic over and supported this movement, who investigated and approved this interpretation of training. The reason they were interested is that they were convinced that this course would give a broader basis of training than it was possible for them to give their agents. In addition, it takes less time to give the training, being a highly organized, systematized course. Besides, it is more economical. In addition, we were convinced that this course would do much to promote the institution of life insurance in the southwest and the good will be felt for years to come.

I feel, perhaps, there are some agencies where it might be economical for them to employ an agency trainer of their own, but this would certainly be the exception and not the rule. Most agencies do not have enough men

coming into their organization to keep this specialized trainer employed and if he is not a specialized man of the right kind, time would prove that this is the most expensive training. Through these university courses, we general agents have an opportunity to have our agents trained at the wholesale rate rather than the retail.

Agent Can Use Training to Practical Advantage

Any vocational training that is not practical is, in my opinion, the "bunk." This training is given with the idea that the agent can go out into the field and use it to advantage. For him to do this the training must be practical, and it is, but, on the other hand, practical things are built on the theoretical, and these courses of training have, by necessity, a foundation of theory. These theories are, however, dovetailed and worked into the practical.

I have heard some criticism of these training courses, basing the criticism upon the belief that they did not help the agent in handling the smaller cases. Time does not permit my answering this objection in an analytical way, but let me say that this criticism is not based upon facts. This course has as its basis, the filling of needs. The founder of these courses, Dr. Lovelace, realized that it is just as important, if not more so, to serve the small buyer and this thought is lived up to in every detail in this work. This criticism is, in my opinion, based upon theory and not from practical experience with the course.

Went Out and Closed Tough Prospects

The best proof that I know that an agent can use, immediately, what he learns in these courses, is expressed in my experiences and in my association with the students in our class that has just closed down at Oklahoma City. In this class we had 110 students and it was my good fortune to talk with a great many of these students and when I would say, "Well, what do you think of the school?" an enthusiastic reply was always received and he would often wind up by saying that he had just called on one of his old prospects where before he had failed to get interest and now made the sale. To get the reaction from this class was the best proof in the world that what they learn they can use immediately.

Of all the good things that this training course does, the one big outstanding thing is that it gives the agent a strong, solid, big foundation upon which he can build. Since he has this foundation upon which he can build the structure of a life insurance career he takes pleasure in seeing the structure grow, and he wants it to grow from within and not from without. The general agent's problem changes somewhat from that of continual building on to the agent's structure to that of keeping his own structure built ahead of that of his agents.

Relieved of Many Petty Problems

I presume that my office and my agents are not dissimilar to those of most general agents. My door is always open to the agents. I give them quite a good deal of personal assistance and I find that they get into the habit of depending upon me. I want them, however, to depend upon themselves, but after I have given them personal training, it is difficult to keep them from bringing to me an innumerable bunch of petty things on which they want my advice, assistance or decision. I believe I shall not have this trouble any further with my agents who have just completed the course down in Oklahoma City. They will take pride in being self-reliant.

The sentiment among trained agents and general agents is much better than with an untrained organization. With

a university trained group of men, general agent can put all his cards on the table, face up—he need not be afraid to show his hand, not even his hole card, because the trained agent has a spirit of cooperation. He wants to give cooperation and he wants to receive it—he likes to work under the golden rule plan. He likes this, because he has had this fine program of training. That is the way his mind works. That is the kind of a spirit you would like to have in your organization, isn't it? If so, send good prospective agency material to one of these universities and that is the spirit that will develop in your agency. But, remember that the quality of men you select and send gauges the quality of men you will get back.

Gives Summing Up of Training Results

Briefly, I want to sum up what this course has done for me:

1. It made me like the business, where before I had disliked it.
2. As a personal producer, it made me a success where before I had been a failure.
3. It qualified me for general agency work in much less time than would have been possible without the training.
4. The training gave me confidence in my ability to develop agents.
5. It is of great assistance to me in the selection of agents.
6. It is a big factor to me in training my agents.
7. The training sold me completely on the idea that a life insurance man ought to be trained because he serves better.

Now, what will the school do for you?

1. It will simplify your training problems.
2. It will shorten the period of trial and error for your agents.
3. It is a wholesale rate at which you can get agents trained for cheaper than you can at the retail price in your agency.
4. The training has enough of the theoretical to make your agent practical.
5. It will put your agent in position to be self-reliant from the beginning.
6. It lays for your agent a foundation upon which he can grow, without your putting a prop under him every day.
7. It saves you time otherwise required for answering questions.
8. It generates better sentiment among agents and general agents.

Purchaser Entitled to Correct Advice.

In conclusion, I think that life insurance is such an intricate subject and such an important factor in our economic and social life that it ought to be taught and the salesmen ought to be trained. Life insurance is an economic commodity and should be looked upon as the replacement value of a human life. I suppose that it is true that no life insurance contract is better than no life insurance, but every purchaser of life insurance is entitled to correct, professional advice, which will result in the purchase of the contract that best fills the family or the business need. The trained underwriter is the one best equipped to give this advice. The problem of training is walking hand in hand with the problem of selection. Economically, the problem of selection demands more thought, and anything tending to improve efficiency, in that heretofore neglected field, assures more permanent results and profit.

Life insurance men should be carefully selected; selected men should be carefully trained and this training should be given by men, such as Dr. Lovelace, whose knowledge, characters and personalities enable them to give the necessary knowledge and leave the imprint of character and ethics, and inspire these men with a burning zeal that will impel them to carry on, not after a fashion, but to the maximum of their ability.

Corporation Mortality Loss High

Particular Kinds of Businesses Listed for Which Insurance Is Needed—Factors Determining Valuable Man of Corporation

By WILLIAM H. BODEN,
General Agent Gerard Life, Johnstown, Pa.

My topic: "Insurance to protect the Corporation" might be elaborated into the theme, "A life insurance policy for a fixed amount divided among the most valuable officers of the corporation to offset the 'shock loss' to the business by death; the policies payable to the corporation and the premiums to be paid by the corporation."

In delving into the experiences of men and women who have been very successful in writing large amounts of life insurance on corporation executives, we naturally find a variety of opinion as to procedure. Among the suggestions given as the outgrowth of these experiences are certain ones that may be considered good sign posts or guide boards along the path of successful corporation insurance salesmanship. We mention a few:

Kinds of Business Where

Business Insurance Is Needed

The particular kind of business for which such insurance is needed.—These would comprehend, according to the Insurance Research and Review Service: (1) A business which is dominated by one individual; (2) a business which is newly established; (3) a business which markets specialized products, depending upon the technical or "market" knowledge of one or two men; (4) a business in which much of the sales volume rests upon the wide acquaintanceship and personality of its chief officers; (5) a business with one or two large stockholders and a group of minority stockholders (the death of a large stockholder would embarrass the minor group in raising the cash to purchase the stock of the deceased); (6) a business in which no definite provision has been made for the continuation after the death of its officers; (7) a business in which all the paper is indorsed by one individual personally; (8) a business which depends upon the success of other business which has no general market for its products, but sells to highly specialized lines; (9) a business in which the chief officers are about the same age—say over 40 (the mortality on lives over 40 has radically increased according to that eminent authority, Lawrence C. Woods); (10) a business in which expansion calls for frequent increases in capital, through bonds, loan or mortgages; (11) a business about to make radical changes or develop extension plans in either manufacturing or marketing.

Valuable Life in Business

Always One to Insure

The next step in the selling process, it seems to me, is the selection of the person or persons to be insured. This may be rather cryptically answered by the statement "The valuable life in a business is always the one to insure," and the game revolves itself into the finding of your valuable life. Often the valuable man is the one who attends to the financing, the auditor, or treasurer, who stands well with the bank, then again it may be the sales executive or some one who helps create the "goodwill" so essential to the business. Generally speaking, the valuable man of a corporation or business is the individual whose untimely death would bring financial hardship or credit impairment. Some corporations do not take kindly to excellent suggestions unless they come, ostensibly at least, from or through themselves. Our cue would therefore be to so create the thought in the minds of the firm that the man or men whose "yes" means action, made the correct suggestion as to the life or lives to be insured. In corporation executive circles you will commonly find the same petty jealousies that are present in the lower strata of the general offices, especially when the question of ability is concerned. Such undercurrents

have to be watched for and countered tactfully.

Selection Must Depend

Upon Medical Examination

The selection of the lives to be insured must always first depend upon medical examination. To quote Mr. Woods again: "A man ought to be first examined before the question of business life insurance comes before his board. The moment that a man cannot get life insurance, he then needs it badly, and the more valuable a man's life is, the more he needs life insurance, is able to pay for it and the less likely he is able to get it."

Another important step to be considered is what man or committee of men shall decide the question of whether insurance shall be carried. In some cases the proposed insured, however important he may be, is the last man to approach; in fact, it may spoil the deal. He might be disinclined to take the matter up with his superior, and also too independent to let you know that it was not within his power or province to decide. An exhaustive investigation should be made to find out whose approval means action and bend every energy to get that approval. If it is necessary to have the matter go before a board, be sure that some influential member or members are thoroughly sold on the plan and can speak in rebuttal on objections that are raised. Avoid getting into the argument yourself and let them fight it out among themselves.

Amount and Kind of

Insurance to Be Taken

The amount and kind of insurance to be taken should also be very carefully considered. Separate policies are generally more satisfactory than joint policies, because of few complications encountered in the readjustment of business relationships. In the case of a corporation, a whole life policy is generally more satisfactorily, because the corporation is looking to the protection and desires to procure the largest amount at a minimum outlay. Of course where the insurance is taken out for the dual objective of protection and of liquidating a bonded indebtedness, limited payment life or endowment may serve the purpose better.

As to the minimum amount of insurance to be placed, authorities generally agree it should cover all of the quick liabilities. Broadly speaking it ought to cover all liabilities, funded debts, bonds, mortgages, and all funded liabilities and contingent liabilities. Another suggestion is to cover the amount of a year's dividend. The amount of present life

insurance to be carried you can safely state will be much smaller than the liabilities to be assumed in the emergency of death.

Haven't Nerve to Suggest Enough Life Insurance

Edward A. Woods' idea is that life insurance salesmen haven't the necessary nerve to suggest enough life insurance, accounted for by the fact that they do not realize that cash in hand at a critical moment following the death of an important member of a concern, often will save five times the amount; that firms and estates need ready money at crucial times just the same as individuals need ready money in emergencies.

Earl G. Manning suggests the study of a Bradstreet report on the business before submitting a business insurance proposition and lays particular emphasis upon the wisdom of presenting the proposition to the right man in the business.

Reasons for Business Insurance Outlined

The Bureau of Business Standards, conducted by "System" magazine, conducted an extensive investigation covering 30 years in a typical average city in an effort to find how fast businesses die and the diseases most common to them. Out of the total of 4,369 concerns entering or leaving business during these 30 years these facts were noted:

Sixty-two per cent of 1,327 manufacturing concerns in 213 lines have died. Lumber products, 75 per cent; cigars and tobacco, 75.4 per cent; drugs, 68.1 per cent; boots and shoes, 57.1 per cent; iron works, 58.9 per cent, etc.

Fifty-one per cent of 492 concerns in 28 lines have died of one disease or another. Books and stationery houses, 70 per cent; produce, 70.7 per cent; fruits, 69.2 per cent; hardware, 70 per cent; meats, 71.4 per cent, etc.

Use the figures that fit the prospect to show that if his business is to be the future support of his dependents, the vulnerable points are to be covered by business insurance. Barkley Wycoff, cashier of the Bankers Trust Company of New York City, sets down his three reasons for business failure as follows:

Three Reasons for Business Failures

"Failure to allow for obsolescence; to segregate from profits sufficient to cover depreciation of machinery, fixtures, buildings and manufactured

stock and to take care of possible losses on account and bills receivable.

"Failure to make a business known and respected in its selling field.

"Failure of business organizations to train executives to 'carry on.' Many concerns flourish for years and then drop back because of a lack of men who understand the development of the business."

Business insurance will take care of the first and the third of these three reasons, acting as a sinking fund to absorb depreciation in the first instance, and financing the development and training of new executives in the third instance. Intensive advertising and sales effort will take care of the second instance and the large sums of money expended during these campaigns are really loans from the business and should be protected by life insurance as the best sort of "ultimate guarantee."

Structure Resting Upon Number of Columns

Some one has aptly described a corporation as a structure resting upon a number of columns, no column to be allowed to weaken or fall without impairing the entire structure. To lose valuable men in a business or corporation is to lose money-making assets, so they should be insured. At one fell swoop death will take a man from an institution and there will be a loss at least equal to what he has been worth to the corporation. There are still other dangers to provide against—the lean years when money is so hard to get, when loans are not to be had. The various panics and periods of depression lately passed through are painful evidences of these facts. Against these times there ought to be built up a business insurance sinking fund that can be converted into cash. Business insurance provides both indemnity and reserve.

The growing importance of business is attested by the questions asked in reports of bonding companies, personnel research bureaus, commercial credit forms and business reporting agencies. The National Association of Credit Men asks this question: "Amount of life insurance for benefit of business, and with what companies?" Bradstreet's ask: "Individual life insurance payable to business, assigned to —"

Using Life Insurance for Building Credit

Using life insurance to build credit is another important arrow in the salesman's quiver. "The intangible assets of good will and credit are fickle and may fly away in thirty days," some one has well said. Corporations, large and small, are constantly in the market for additional capital on some form of credit basis. A corporation may rely on the assembled present worth and prestige of its directorate for securing credit expansion, but none of them are so large nor so firmly entrenched financially that their credit cannot be greatly boosted by life insurance on its "keymen." Many a concern has also been tided over by policy loans when the banks could not loan it money despite its collateral offered. It should be also borne in mind that insured brains can get added capital more readily than can uninsured brains. Concerns carrying sufficient insurance protection on the life of the directing head sometimes obtain loans at a lower rate of interest than they otherwise could. Figures recently published by a leading authority show loss by business failures in 1921 as over 750 millions while the property fire loss during the same period is put at approximately 333 millions.

Another noticeable fact in life insurance circles is the requirement by

J. STANLEY EDWARDS
GENERAL AGENT

ROCKY MOUNTAIN AGENCY

ÆTNA LIFE INSURANCE CO.

FIRST NATIONAL BANK BUILDING

DENVER, COLORADO

large creditors of adequate life insurance on corporation executives to protect loans. Insurance Research and Review furnishes the following illustrating information:

"The Georgia Marble Company borrowed some money from Townsend, Scott & Co. of Baltimore. Bonds for \$250,000 were issued and then a banker who was put on the board figured that the manager's life was one of the most valuable assets and so he was insured for the amount of the bonds.

"The Utah Savings Bank loaned \$250,000 to a concern and required it to put \$100,000 life insurance on the chief officer of the company and so stated the fact in the circulars.

"A large loan was made by S. W. Strauss & Co. on a department store in Atlanta. Strauss insisted on \$200,000 life insurance spread over several executive officers of the company and assigned to the trustee.

"The Wolverine Hotel in Detroit borrowed from Greenbaum Sons & Co. who required that the owners carry \$100,000 insurance on the life of the president during the term of the loan.

"E. H. Rollands & Co. of Boston loaned \$2,000,000 to the Walworth Manufacturing Company. In advertising the bond issue one of the features emphasized was the importance and value of the manager. They featured him in large type as an argument in favor of the purchase of these bonds. Before the loan was consummated, a requirement was stipulated that a banker be included among the members of the board of management. It was pointed out to the banker that it would be a serious matter to the company if something happened to the manager. The banker replied, 'We have been talking about that and have insisted that the company have some one in training at once to take his place in case anything happens.' The insurance man tactfully replied, 'Why don't you take care of it immediately by insuring his life?' This suggestion resulted in the taking out of \$1,000,000 of insurance."

Approach Through the Bond House or Banker

H. Wibirt Spence says: "The approach to business insurance cases should be through the bond house or banker. The difficulty, of course, is to secure the information early enough to get in before the details are closed."

The Insurance Research & Review Service in the leaflet entitled "Business Uses of Life Insurance" among other good things thus epitomizes the value of life insurance while all the insured officers live:

1. "Enables the company to secure loans through regular channels rather than from individuals who seek control of the company.
2. "Strengthens all paper which is endorsed by one man personally.
3. "Creates an ideal sinking fund for depreciation of machinery and buildings and at the same time protects the entire business.
4. "Relieves the firm of worry over investment of surplus in liquid marketable securities.
5. "Keeps creditors at ease over long time loans, such as those made to cover purchases of materials or merchandise to be held for market advances.
6. "Guarantees continuity of business and thus invites permanent connections with highest grade firms.
7. "Stimulates junior officers to loyalty and increased efficiency because they know the business will continue regardless of the inroads of death upon the executives.
8. "Renders a community service by guaranteeing that the pay roll and business will continue.
9. "Provides a retirement fund for officers who must some day leave the business on account of old age or disability."

Provision Made for Stockholders of Business

In the event of death of the insured official or officials; Life Insurance pro-

Institutional Advertising Plan Urged in Report by C. L. Scott

AT one of the executive committee meetings, Charles L. Scott of the salesmanship committee submitted his report on behalf of that committee, which subdivided its activities this year. Mr. Scott is general agent of the Massachusetts Mutual at Kansas City and was elected second vice-president of the National Association at the business session on Wednesday. Mr. Scott's report is subjoined:

Life Insurance Is Primarily a Business

Life insurance is a business. Whatever else it is, it is a business. We must admit this fact, or classify its sales requirements with those of religion and education. We have advanced so far in the personal selling of life insurance that the sales end of the business is a business inseparable, and yet apart, from the institution of insurance itself. We know that insurance must be sold, and it is generally recognized that the highest type of salesmanship is required because of the well known fact that a great resistance must be overcome. This resistance does exist, in spite of the fact that the total amount of insurance in force has automatically increased to its present high point. To break this resistance, then, would mean that more insurance would be sold to more people, and the sales would be accomplished more easily.

How Others Pave Way for Salesman by Advertising

For comparison, let us glance, for a moment, at the attitude of those engaged in other great lines of business, toward the subject of advertising their wares, in paying the way for their salesmen. The large correspondence schools create the demand for their courses through advertising, and thereby consummate sales through their contact men by means of leads and lessening resistance for them. A certain well known institution engaged in the manufacture of brushes introduces its salesmen by means of national advertising, opening the doors of the home, so to speak, for its salesmen. Advertising has made a delicious dessert out of the once despised, lowly, boarding house prune. Advertising has made men discard an old-fashioned razor, to be supplanted by a "safety," all in a short time. Advertising made modern transportation a fact—hard-surfaced roads a necessity. Advertising has even caused people to want more and better things, and it has caused them to get more and better things, until today, instead of living in a country headed by kings, we live in a country where every man

vides for the stockholders of the business as follows:

1. "In a closed corporation to perpetuate control among themselves.
2. "Maintains the high market value of their investment.
3. "Upholds the company's record for sound financing.
4. "Guarantees dividends for the past year after the death of these officials."

In selling insurance to protect the corporation, the agent attempting this tedious but fascinating program will find it advisable to continue his daily solicitation of his usual run of prospects and thus prevent shipwreck of his earning power. It would be a serious mistake for the average insurance salesman to depend entirely on the results of his efforts among a clientele of business life insurance prospects alone. This work had better be attempted as a "side line" or as a stimulating business pastime, especially for a starter, and until such time as the agent can truly feel that he is "called" or qualified as a specialist in this line.

is king and every woman is queen. They will get whatever they can be induced to want.

Can Make Man Want Guarantee for Family

Advertising, then, can certainly make a man want to guarantee to his family, after death, something worth more than a mere decency fund; it can make him want to guarantee luxuries for them as well as necessities. Advertising can make the average man understand and appreciate the great importance of buying insurance according to a well defined program to fit his particular responsibilities and desires. Advertising can convert a cold reception for the so-called "insurance agent" into a warm and enthusiastic welcome for the "insurance service man" that he is. Advertising can require greater effort and better training on the part of certain life insurance peddlers (who call themselves salesmen), in order for them to cope with a more enlightened public.

Efforts Called Meager and Methods Obsolete

In view of the great and wonderful service provided by the institution of life insurance for the uplift of humanity it is indeed amazing that the companies should still be employing obsolete methods in their meager efforts to attract favorable public opinion. It is complimentary to the salesmen of life insurance that this commodity has been so generally distributed by them with so little and so poorly constructed advertising to assist them. Life insurance has, for its publicity, depended mostly on specific service as it is rendered, such as the payment of a death claim and the conversation and free newspaper publicity that follows.

Put Modern Publicity

Methods to Thorough Test

We are greatly indebted to the army and navy insurance bill, which gave life insurance its greatest impetus by forcing distribution of insurance and insurance information.

Is it not high time that modern publicity methods, so thoroughly tested, were put to use in this, the greatest business in the world? Limited knowledge of the many functions of life insurance on the part of the rank and file of the American people makes the advisability of institutional advertising most obvious. It has proven beyond question that it is economically sound—that good copy tied up with circulation will increase sales.

How can advertising accomplish so much? Listen! The great American selling hour (if there is any one hour), is that evening hour at home when quiet prevails, the children are in bed, and the institution of the printed page holds full sway in an audience with

mother and father, which no salesman can ever hope to obtain. There, plans for the family are made, necessities and luxuries are bought. It is there that budgets are spent, conference prompted, and there, without distraction, needs are discovered, desires created and prejudices dispelled. It is this wonderful hour and audience that advertising gets—that is lost to insurance without it.

Who Should Finance Life Insurance Advertising

Now, who should finance the advertising of life insurance? We believe it is clearly the duty of the companies themselves, in the main. We believe the institution represented by all companies should finance it by creating a budget on the basis of so much per \$1,000 of insurance sold. Who ever heard of this recognized part of any business being thrust upon the shoulders of the salesmen or sales managers to finance? Under the above system, the policyholders will "foot the bill" indirectly, which is perfectly proper, because they will also reap the reward that must come to them through a better understanding of what their insurance program should be, greater sales, and, in the last analysis, lower net cost.

Joint Committee to Work Out Plan Proposed

Your committee offers the following for your consideration: That the National Association of Life Underwriters foster the organization of a joint committee on institutional advertising of life insurance, said committee to be composed of representatives from the Association of Life Presidents, the American Life Convention, the Life Agency Officers' Association and the National Association of Life Underwriters, for the purpose of devising a feasible plan and working out the details in launching an advertising campaign that will be national in scope, coordinating all the forces at our command toward making it a campaign that will bring in the greatest business into the greatest prominence—to do the greatest good for the greatest number.

It does not require any prophetic vision to predict for such a joint committee, created for a specific purpose, and enlargement of the scope to that of a joint relations committee to promote harmonious consideration of a joint action on all questions which overlap in scope or interest.

ILLINOIS MEN TO ORGANIZE

Plans for the launching of an Illinois state association of life underwriters were discussed at a preliminary meeting Wednesday called by Chester O. Fischer of Peoria and attended by a half dozen or more of the Illinois agents who are at the national convention. No effort was made to effect an organization at this time, but it was decided to send out a call sometime in the near future for a meeting to be held at some central Illinois point, probably at Springfield, when the organization will be formed.

THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

Published every Friday by THE NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati and New York. EDWARD J. WOHLGEMUTH, President; JOHN F. WOHLGEMUTH, Secretary; H. E. WRIGHT and NORA VINCENT PAUL, Vice-Presidents; WILLIAM A. SCANLON, Southwestern Manager; FRANK W. BLAND, GEORGE C. ROEDING and O. E. SCHWARTZ, Associate Managers.

C. M. CARTWRIGHT, Managing Editor
HOWARD J. BURRIDGE, Associate Editor
FRANK A. POST, Associate Editor
R. C. BUDLONG, Associate Editor

PUBLICATION OFFICE, Insurance Exchange, CHICAGO. Telephone Wabash 2704
CINCINNATI OFFICE, 420 E. Fourth St. Telephone Main 5781. RALPH E. RICHMAN, Manager. E. R. SMITH, Statistician. ABNER THORP, JR., Director Life Insurance Service Department.

NEW YORK OFFICE, 80 Maiden Lane, New York; Telephone John 1032

GEORGE A. WATSON, Associate Editor

NORTHWESTERN OFFICE: 307 Iowa National Bank Bldg., Des Moines, Iowa

Tel. Market 3957. J. M. DEMPSEY, Manager

PACIFIC COAST OFFICE—369 Pine St., San Francisco, Cal. Tel. Kearney 6033.

Insurance Publicity Bureau, Manager

Subscription Price, \$3.00 a year; in Canada, \$4.00 a year. Single Copies 15 cents. In combination with National Underwriter (Fire & Casualty) \$5.50 a year; Canada \$7.50

Grow with
Pearson & Larson
the Growing Agency

We believe Kansas City is a good place to live and work in. It is a growing metropolis. In the progressive agency of Pearson & Larson your growth and prosperity will be limited only by the extent of your capabilities and ambition. If you have confidence in your own ability, Kansas City is the place for you.

PEARSON & LARSON

630 Scarrett Bldg. Kansas City, Mo.



1843

1925

J. F. TROTTER

Manager
KANSAS CITY AGENCY
The Mutual Life Insurance Co.
of New York

8th Floor Sharp Bldg.

Tel. Main 2324



KANSAS CITY Agents are mighty glad to welcome delegates to the National Life Convention. They feel that great honour has been conferred on them, and that this is the best convention that has ever been held.



Kansas City offers live insurance men wonderful opportunities. General Agencies on this page are well established, high grade concerns, and offer excellent facilities. Men operating through them are succeeding in a big way.

Don't forget to drop in and see us whenever you are in Kansas City. We'll always be glad to welcome you.



The
Kansas City Agency
of
The Bankers Life Company

of Des Moines, Iowa

extends a hearty welcome to every delegate and insurance man to visit and make themselves at home in our offices.

R. G. HAKE,
Agency Manager
513 RIDGE ARCADE BUILDING
Kansas City, Mo.

D. M. SKINNER

General Agent

Aetna Life Insurance Co.

410-418 Rialto Building

Life — Accident — Health

WILLIAM L.
SCHARLES
GENERAL AGENT

**State Mutual Life
Assurance
Company**

Worcester, Mass.

TELEPHONE 572 MAIN
700-1-2 Victor Building
KANSAS CITY, MISSOURI

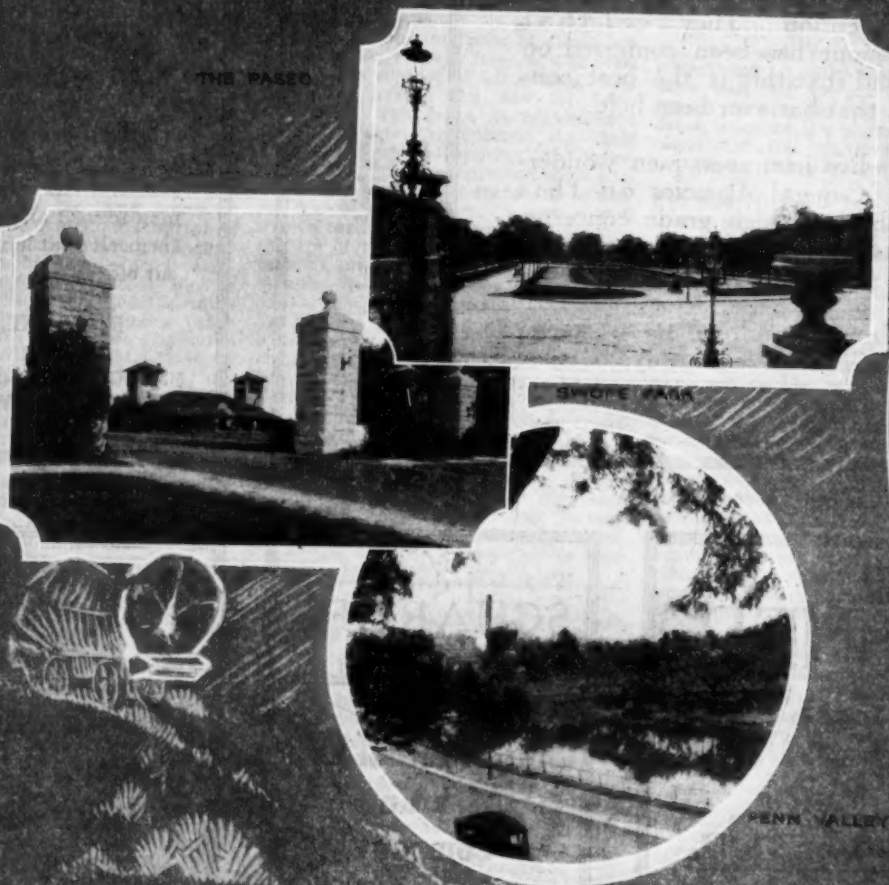
Chas. L. Scott
Manager

**Massachusetts
Mutual Life
Insurance
Company**
of
Springfield, Mass.

601 Continental Bldg.
Kansas City :: Missouri

KANSAS CITY
The Heart of Insurance
America Center

Kansas City



DELEGATES attending the Underwriter's Convention are invited to visit its many places of interest. In doing this perhaps they will be interested in its general activities.

As cities go, Kansas City is quite young, yet it ranks in the rank of cities of the nation. Only eight and one-half per cent of its population is under 10 years of age, an unusually small proportion.

Kansas City is the second largest meat-packing center in the United States.

As a grain market it is third.

In elevator capacity it is fifth.

In postoffice receipts it is sixth.

In bank clearings it is tenth.

Thirteen trunk lines of railroad, with thirty terminal the second largest in America. Two hundred and ten miles of street car lines.

During the past six years the school enrollment has increased 39.8%, the power and light production 57%, and the gas connections 39.8%.

In 1924 the manufacturing plants of Kansas City produced \$23,470,774 in value of goods, an increase of 5,432,705 tons.

Kansas City is the home of the largest livestock market in the world. More than 9,000,000 animals were marketed here in 1924.

Kansas City occupies an enviable situation. It is a city in which the opportunities for expansion are unlimited.

Kansas City welcomes you heartily. It is a city in which the opportunities for expansion are unlimited.

As a place in which to live Kansas City may be compared to a motor car. Its residence district is one of the most attractive retail establishments in the country.

sixty odd miles of boulevards, its most attractive retail establishments, its public grounds, its sixty square miles of picture grounds, its town and country clubs, its better and happier homes.

KANSAS CITY LIFE INSURANCE COMPANY
J.B. REYNOLDS - PRESIDENT

BUSINESS MENS ASSURANCE CO. OF AMERICA
W.T. GRANT - PRESIDENT



Welcomes You

Underwritten are urged to make a tour of Kansas
 faces of its guests of the local reception committee.
 will be in noting the progress Kansas City is making
 ang, yet population of over 550,000 gives it nineteenth place in
 ight and 10 per cent of this population is foreign born, an
 packing in the United States.

with three subsidiary lines, enter Kansas City making this
 Two hundred and ten passenger trains arrive here daily.
 enrollment increased 30.9%, the water connections 27.8%,
 and light connections 57.6%.
 Kansas City showed an increase of \$14,334,660 over the previous
 74 in a comparison. Freight to and from Kansas City

largest livestock exchange building in the world. In 1924
 marketed at this point.
 situation, founded as it is by the richest and largest trib-
 ution, the most competitive selling market available. It
 for the expansion exist abundantly in all lines.
 heartily a convention visitor. It extends equally as
 a and business associates.

ve Kansas City may be judged to some extent
 e district (the most beautiful in America), its
 its many schools, its splendid churches, its
 ishment, its public parks and play-
 re miles of picturesque topography,
 e clubs all combine to make life
 ter and happier here.



WEST BLUFFS



NATIONAL FIDELITY LIFE INSURANCE CO.
 RALPH H. RICE - PRESIDENT

MIDLAND LIFE INSURANCE COMPANY
 DANIEL BOONE - PRESIDENT

An Old City of New Opportunities
Come By and Visit
The New St. Louis
J. F. HATHAWAY
Manager
The Mutual Life of N. Y.
St. Louis, Mo.
Capital of the 49th State

Recently voted \$87,000,000 for
Municipal improvements.



St. Louis Agency
of
Phoenix Mutual Life
Insurance Co.
of
Hartford, Conn.
EDWARD J. BURKLEY
Manager
12th Floor LaSalle Bldg.

One hundred and fifty-six new
industries located in this industrial
district during the past five years.

Warren C. Flynn
and his Associates
Massachusetts
Mutual
in St. Louis
Extend Greetings

Sit .Louis manufacturers ship From
the Center—Not the Rim.

St. Louis

Unsurpassed Service

Extended to
Agents and Brokers
of Responsibility

ARTHUR L. McKNIGHT
General Agent
ÆTNA LIFE INSURANCE
COMPANY
533 Pierce Building
St. Louis

Largest market in the world for hard-
ware and woodenware, stoves, ranges
and furnaces.

HOME of some of the strongest
General Agencies in the coun-
try. We are proud to have had the
National Life Convention in the great
State of Missouri. We wish it could
have been held in St. Louis, but as
that was not possible, we are glad
Kansas City was its host.

We extend sincere greeting to the
National Association and to Kansas
City.

You are always welcome at St.
Louis.

NATIONAL LIFE

of

Vermont

FRED T. RENCH

General Agent

403 Boatmen's Bank Bldg.

St. Louis

Largest market in the world for boots
and shoes, raw furs, horses and mules,
hard wood and pine.

The Columbian National
Life Insurance Co.

Arthur E. Childs
President

Boston, Mass.

Life - Accident - Health
Insurance

THE GEORGE L. DYER
COMPANY

George L. Dyer, Gen. Agt.
705 LaSalle Bldg.
St. Louis, Mo.

St. Louis has twenty-six railroads
"to everywhere."

St. Louis Agency
Penn Mutual Life
Insurance Co.

of

Philadelphia

FISCHER & FISCHER

General Agents

316 North Eighth St.

St. Louis

St. Louis has ten weeks' season for
Municipal Opera, the auditorium
seating over nine thousand persons.

St. Louis Agency
Equitable Life
Assurance Society
M. A. NELSON
Agency Manager
Equitable Bldg.
St. Louis

St. Louis University and Wash-
ington University located here—
two of the largest educational
institutions in America.

Life Drama of Business Insurance

Playlet Presented Before Convention Shows in Graphic Form Value of Making Will and Trust Company Service

EPISODE I.

Scene—Trust Department,
Union Bank & Trust Company.
Time—The Present.

DAVIS—(Discovered with Henderson on stage at rise of curtain counting life insurance policies and checking off with checks). These checks coincide with the policies, Mr. Henderson. (Hands checks to Henderson). You will note they have been drawn payable to the Union Bank & Trust Company as trustee. Now if you will please let me have these policies, which I must return to the company for their records, my part of the transaction will have been completed.

HENDERSON—(Surrenders policies and takes checks in exchange. Places them with the remainder of papers belonging to the decedent. Rises to bid Davis good-bye). Mr. Davis, I wish to thank you as a life insurance man for your splendid efforts on behalf of Mr. Wilson's family. Had you failed to carry on despite discouragement, that little widow and her kiddies may have had to face a future brimful of dire need. I am positive if George Wilson were able to send a message from the unknown land, that message would be "Davis, old man, I thank you a thousand times for what you have done for my wife and our kiddies."

DAVIS—Thank you, Mr. Henderson. Perhaps it is the knowledge of what usually happens that gives the life underwriter the courage to follow through. If I can be of further service, please call on me. Good day. (Exits.)

HENDERSON—Good day. (Phone rings informing him Mrs. Wilson has arrived.) Show them right in. (Rises and goes to door—escorts Mrs. Wilson to chair and points to chairs for remainder of party.) Mrs. Wilson, permit me to extend to you and your family my heartfelt condolences at the loss of a noble husband and father. We who knew George Wilson personally and intimately can appreciate that loss.

MRS. WILSON—Thank you, Mr. Henderson. You have no idea how that poor boy suffered. For six long months he was helplessly bedridden and each night before I would leave him, he would take my hand in his and say, "Dear, the light is flickering lower and lower but the thought that I have safeguarded yours and the children's future gives me the strength to fight on. Perhaps I'll pull through." (Pause.) He was conscious to the very last and just before he passed out he whispered, "Tell Davis, I said thanks." (Breaks down.)

ROBERTA—(Running to Mother.) Don't cry, Mummy dear. You know Daddy said we must all be real soldiers when he went.

MRS. WILSON—(Bracing herself. Places her arms about Roberta.) Yes, dear, we must be soldiers. (to Henderson.) You will excuse this scene, Mr. Henderson. (Drying eyes.) You see we haven't as yet accustomed ourselves to the new order of things. (Takes deep breath and gazes into space as if stunned.)

HENDERSON—(To Henry, placing arms about his shoulders.) My boy it is now your turn to be the daddy of your family.

HENRY—Yes, sir, I'll do my best to fill Dad's shoes. (Walks to chair.)

HENDERSON—(To Jackson.) Permit me to also extend my sympathy to you, Mr. Jackson, at the loss of so valuable a partner. Six months battling the tide of business alone when one is accustomed to depending upon an associate

THY "WILL" BE DONE

A Dramalette in Three Episodes

CAST OF CHARACTERS

Charles A. Henderson, Trust Officer.....George W. Ayars
Robert W. Davis, Life Underwriter.....Harry Wharton
Grace M. Wilson, Widow of George Wilson.....Miss Eleanor Hall
Roberta Wilson, Daughter of Mrs. Wilson.....Miss Marjorie Hamilton
Henry Wilson, Son of Mrs. Wilson.....William C. Gentry
Edward T. Jackson } Business Partners { Lawrence A. Williams
George A. Wilson } Frank D. Masden

for advice and counsel is no easy matter.

JACKSON—No, it isn't! George Wilson and I were together for 15 years as business associates and before that we were boyhood pals. It is going to be strange getting down to business and not hearing George's cheery good morning. (Pauses). You see, George was the business man of the firm. Don't know what is going to happen now that he is gone. Pull through somehow, guess. I can begin to see now why George with his dying breath said, "Tell Davis I said thanks". He knew I was a poor business man. I tell you, Henderson, that was a stroke of fortune for George's family when he persuaded me to draw up a business agreement. With George gone that business isn't worth 25 cents on the dollar.

HENDERSON—Mr. Jackson, there are thousands of business concerns all over this great land that are desperately in need of just such an arrangement as you and Mr. Wilson entered into. Perhaps we can thank the wonderful work of the life insurance fraternity, who are constantly striving to drive that message home, and they are slowly making progress, but the day of an enlightened age will come when no business will be suffered to continue without the presence of a business agreement with life insurance payable to the business, arranging for the survivors of an enterprise to purchase the interests of the deceased.

JACKSON—If any business man needs convincing refer him to me. Without that agreement and the loss of my partner's services, I would have faced bankruptcy within a year. Perhaps like George, I can also extend my thanks to Davis.

HENDERSON—I have a letter, Mrs. Wilson, addressed to you personally in your husband's handwriting. His instructions were to give it to you after he passed on. (Hands letter to Mrs. Wilson).

MRS. WILSON—(Reads letter slowly for dramatic effect). My dear Wife, When you read this letter I will no longer be on this earth. As the mother of our children my hopes center in you in the knowledge that you will make every effort to carry out the plans we as life partners so often discussed. Our children, our home, your welfare. (Breaks down. Tears fill her eyes and she hands letter to Jackson, meanwhile drying her eyes.)

JACKSON—(Reads remainder of letter). The Union Bank & Trust Company as trustee for you and the children will have delivered to them ample funds through the payment of my life insurance policies, the income from which will enable you and the kiddies to live in moderate comfort until they are able to care for themselves. Their education has been provided for and our home which has always reflected

our love, will remain secure to you forever.

With deepest affection,
Your husband,
George.

(Returns letter to Mrs. Wilson who presses it to her bosom and places it in her bag.)

HENDERSON—Mrs. Wilson, you are already familiar with the terms of the will. As that letter so effectively states, Mr. Wilson made ample provision through life insurance to provide for your needs and the support of the children. Fortunately, in addition to the life insurance proceeds, we have here (picks up agreement) a business agreement entered into five years ago by your husband and Mr. Jackson providing for the purchase by the survivor, in this case Mr. Jackson, of the business interests held by Mr. Wilson in the partnership of Wilson and Jackson. Both Mr. Wilson and Mr. Jackson insured themselves in favor of the other and the Union Bank & Trust Company was appointed by both as trustee to act for the best interests of all concerned. I have here a check for \$10,000 (picks up check and shows to Mrs. Wilson) this amount to apply as the first payment in exchange for the transfer of Mr. Wilson's assets. At the time the agreement was entered into, the assets of the firm of Wilson & Jackson were approximately \$20,000. Today the valuation of that business will total considerably more. The agreement provides for the appraisal of the assets of Wilson & Jackson up to the day of death of Mr. Wilson. If the assets of the deceased are in excess of the \$10,

000, that amount shall provide for the first payment to the deceased's estate, the remainder to be paid over a period of three years, which we consider eminently just, to enable the survivor to adjust his business to the new arrangement. The survivor will tender his notes to the trustee for the balance of the amount due, and the trust company shall continue to act as your representative until the obligations have been fully discharged. (To Mrs. Wilson). Mrs. Wilson, have you ever had any business training?

MRS. WILSON—None! I might perhaps qualify as a domestic science teacher if I were compelled to seek employment, but I have had no business training whatsoever. You see, George and I were married when I graduated from college and my efforts since have been concentrated on providing a home for George and our children.

HENDERSON—Then you can readily appreciate, Mrs. Wilson, the wisdom of this business agreement, entered into by Mr. Jackson and your husband. While the partnership automatically terminates through the death of Mr. Wilson, and the business assets are compelled by law to be liquidated, we have here a condition where a new partnership would have to be formed with yourself as partner without any business qualifications. Mr. Jackson would have been compelled to either raise a sufficient amount of capital to purchase your interest, which at this particular time would be well nigh impossible, or continue alone in the hope that he might in the future raise sufficient cash to meet your obligations. In all probability, in an effort to liquidate the firm's assets a considerable amount would have to be sacrificed, resulting in a tremendous loss to both yourself and Mr. Jackson. This business agreement not only provides Mr. Jackson with the necessary cash to purchase your interest, but enables him to pay you in full valuation, one hundred cents for every dollar involved.

JACKSON—Mr. Henderson, that agreement has perhaps saved my business future, and it is no more than right that I confess in the presence of Mrs. Wilson that I was 10,000 kinds of a fool.

The Central Life Insurance Co.

FORT SCOTT, KANSAS

INSURANCE
IN FORCE
\$15,000,000.00



ASSETS
OVER
\$2,000,000.00

Oldest Kansas Company

Excellent Agency Opportunities
in

KANSAS - MISSOURI - ARKANSAS

I had no more business vision than a donkey. (Gets up and paces up and down.)

MRS. WILSON—Why Edward! George told me it was through your advice he consented to that arrangement.

Jackson—It was just like George to give me credit for what I didn't deserve. (Pulls chair up to Mrs. Wilson.) Listen Grace, if it's the last thing I do, I'm going to tell you what transpired here in this office five years ago. (Lights go out. Mrs. Wilson, children and Jackson exit.)

EPISODE II.

Scene—Same.

Time—Five years previous.

CHARACTERS

Charles A. Henderson... Trust Officer.
Robert W. Davis... Life Underwriter.
George A. Wilson } Of the firm of
Edward T. Jackson } Wilson & Jackson

Henderson seated at desk. Enter Davis, Wilson and Jackson.

DAVIS—Mr. Henderson, I would like to have you meet Mr. Wilson and Mr. Jackson of the firm of Wilson & Jackson. You've heard of them?

HENDERSON—Oh, yes. (Rises and shakes hands with both.) How do you do, Mr. Wilson. How do you do, Mr. Jackson. It is a pleasure to meet both of you gentlemen. Won't you be seated?

WILSON AND JACKSON—Thanks. (Seat themselves.)

DAVIS—Pardon me for taking the initiative, Mr. Henderson, but I wish to explain why we are here and then I will get out. Both of these gentlemen are not only my clients but my friends as well. I have been hounding them for the past few years in an effort to persuade them to draw up a business agreement, which will provide funds for the survivor to purchase the interests of the deceased in event of death. Likewise, I have recommended they talk with you regarding an appointment of a trust company as trustee for their families. They each carry life insurance, but insufficient to provide even a moderate income for their families. They each have kiddies growing up and I want them to look far enough into the future to visualize what might happen if one or both of them unfortunately passed on from whence there is no return.

JACKSON—Bob talks like all the other insurance men. If you will listen to him long enough he will make you believe we are going to die tomorrow, our business will go to smash and our families will be immediately moved to the poor house. Why man alive, we're not going to die! George and I are good for 50 years and as far as our business, it's going along so fine, even if one of us were to cash in, the survivor would go right on, making money as if nothing had happened. Gee, Davis, I hate a killjoy!

WILSON—Ed, I'm afraid you're on the wrong track. Davis is right. I was only thinking last night if anything happened to me, it would mean hell on earth for Grace and the kiddies. I'm only carrying ten thousand life insurance, and by the time my debts were paid, there wouldn't be much of that left. Mr. Henderson, I'm going to ask you a question. Davis has told me the answer a number of times, but I want corroboration from you. Suppose I died tomorrow, what expense would my estate have to meet?

HENDERSON—Well, first there would be the expenses attendant last illness and funeral. Then we have inheritance taxes—

JACKSON—Inheritance taxes! That's bosh! We haven't large enough estates to be bothered with inheritance taxes. To hear you fellows talk one would think we were millionaires.

HENDERSON—Mr. Jackson, I regret to say, you are laboring under the same delusion the majority of business men are and that is the inheritance and estate taxes, administration expenses, probate fees, etc., affect the millionaire only. It may probably shock you to learn the small estate is usually in greater need of a life insurance policy

for administration expenses than the millionaire's estate. Have you gentlemen drawn your wills as yet?

WILSON—I did shortly after I was married, but that's quite a while ago and there has been an addition to the family since then. Say, I have been neglectful. I'm going to attend to that today if it's the last thing I do.

HENDERSON—I recommend that you have your attorney arrange that, and how about you, Mr. Jackson? Have you drawn your will?

JACKSON—No, and I'm not going to. I'm not going to die—at least for a good long time anyway. Why, my grandfather lived to be 92 and his father lived to 98. (Draws himself up.) I'm good for 60 years yet. What do I want with a "will"?

DAVIS—I'll run along, gentlemen: You undoubtedly have some private matters you will wish to discuss with Mr. Henderson. (Starts to exit.)

WILSON—Just a minute, Bob. You've handed me a jolt, and I am going to capitalize it. Irrespective of whatever else we do, Ed and I will draw up that business agreement providing for ten thousand life insurance paid to the survivor just as you recommended. (Goes to Jackson.) All right, Ed?

JACKSON—(Grudgingly.) I guess so, but that's as far as I'm going. You can draw your will and appoint this trust company as trustee, or anything else you like, but not me. I don't believe in it.

DAVIS—Will it be all right to have our medical examiner look you both over this evening?

WILSON—Seven o'clock will be all right with me. How about you, Ed?

JACKSON—Eight o'clock is satisfactory to me.

DAVIS—All right, gentlemen. Good day.

(Lights go out. Scene shifts back to Scene I.)

EPISODE III.

Scene and Characters same as Episode I.

JACKSON—And that's as much as I had to do with it, Grace. If it hadn't been for George, Bob Davis, and Mr. Henderson, I would have been bankrupt, you would be seeking a position and the kiddies would have been on their way to an orphanage. (Hangs head in his hands a pathetic figure.)

MRS. WILSON—(Placing her arms about Jackson.) It is mighty square of you to tell me all this, Edward, and it proves that like George, at heart you are as noble as any other man. You just couldn't see it as George did, that was all.

HENDERSON—Mrs. Wilson, as you are now aware, the Union Bank & Trust Company as executor and trustee will attend fully to the complicated details of the administration of your husband's estate. We will make full settlement of all his outstanding debts and collect his credits. We will attend to all necessary legal matters, relieving you of that responsibility and annoyance. While the estate itself will be tied up for some time awaiting full settlement, the payment to us of the proceeds of his life insurance policies furnishes immediate cash. We have opened an account for you and have already made the deposits which were provided in your husband's will (hands her check-book) and further deposits will be made as they fall due. We will notify you to enable you to draw against them. The funds your husband so wisely provided will be placed in the hands of an investment committee. The trust agreement provides for investment in legal securities only, eliminating any possible hazard to the investment and you will be welcome at all times to discuss with them matters pertaining to those funds or any other matter concerning your welfare.

MRS. WILSON—Thank you, Mr. Henderson. I have full confidence you will act for us as George wished you to. Come children. (Goes to door.)

ROBERTA—(Running over to Mr. Henderson.) Good-bye, Mr. Henderson.

Sibley Describes What A Managers Association Can Do

BOLLING SIBLEY, general agent of the Penn Mutual Life at Memphis, Tenn., took part in the Thursday afternoon discussion on "How Can Local and State Associations Function Most Effectively." He said:

I have been asked to make a few remarks concerning the advantages of a managers' association or a managers' branch of the local life underwriters' association. There are many problems coming up from time to time which are not only of interest to solicitors, but are most vital to general agents and managers. These subjects are matters requiring an outline of policy, and therefore call exclusively for executive action.

We have a very splendid life underwriters' association in Memphis. Long before we organized our life managers' association, many of us realized we should have a separate organization. Last fall several general agents and managers issued a call for a noon day luncheon, to which were invited every manager and general agent in our city. A great majority responded. A committee was appointed to draft a constitution and by-laws. Subsequently these by-laws were approved and every general agent or manager becoming a member of the managers' association attached his name and official title to the constitution and by-laws.

By-laws successfully cover part time question.

Our by-laws define what is meant by part-time agents. This was one of the greatest problems we had to meet. This was solved by agreeing that no solicitor in Shelby county may be licensed unless he is a bona fide insurance agent, either life, fire or casualty. Our by-laws further provide that where a man in another line of business feels inclined to become a life insurance solicitor but does not care to give up his position until he has tried his hand at writing some life insurance, such a party may be licensed for a period of 90 days only. If at the end of 90 days the man feels that he is not qualified to write life insurance and he will not give up his salaried position, then his license and contract are cancelled.

Our by-laws do not permit us to make a contract with a new agent until he has filled out a questionnaire and sworn to his answers before a notary public. One important question in this questionnaire asks the prospective agent whether or not he is applying for this contract and license solely for the purpose of writing a policy on himself, a relative or business associate. Another question asks him whether or not he is indebted to any other company or general agent, and if so how much. Our by-laws do not permit us to license an agent unless all questions are satisfactorily answered, and in the event he is indebted to another general agent, he must satisfactorily arrange his indebtedness before

Mother says you are going to keep us together and send us to college when we grow up. (Kisses him. Runs over to Jackson.) Good-bye, Uncle Ed. (Kisses him and joins her mother.)

HENRY—Good-bye, Mr. Henderson. Dad told me the day before he went to trust you implicitly. (Shakes hands.) Good-bye, Uncle Ed. (Joins mother who guides them through the door.)

MRS. WILSON—(At door.) Mr. Henderson, tell Mr. Davis I said "Thanks!" (Exits.)

JACKSON—Mr. Henderson, how long will it take you to draw up trust papers for me?

HENDERSON—We can start right now.

JACKSON—Good, I'm going to tell Mrs. Wilson that if George could do that for his family, I can do it for mine. I'll be right back. (Squares shoulders, claps on hat and exits.)

CURTAIN.

fore a contract with a new general agent can be made.

We also have a grievance committee to hear all complaints which may be filed against any life insurance man in our city. The accused shall be represented by a member of the managers' association and the accuser shall also be represented in like manner. These two with the three members of the executive committee constitute the grievance committee.

Questionnaire Now Part of Tennessee Law.

We had been attempting prior to the organization of our life managers' association to secure an agents qualification law in our state. At the last session of our legislature, held in the early part of this year, our insurance commissioner aided as he was by the life insurance agents in our state, succeeded in passing



JOHN DOLPH, Washington, D. C.

ing a workable agents qualification law. I am happy to say that the questionnaire adopted by the life managers' association of Memphis with a few alterations here and there is now on the statute books of our state. Our managers' association also proposed another law which is on the statute books. This law protects the cash and loan values of life insurance policies on the lives of citizens of Tennessee from attachment by creditors, and should the insured become bankrupt he does not have to list the cash values of his insurance policies among his assets.

While we have a separate organization in Memphis, every member of the life managers' association is a member of the life underwriters' association. Personally I feel it is better to have a separate organization composed of general agents and managers, or others having executive authority. It might be, however, that a managers' bureau could be organized within the local association itself, and could function easily as well as a separate managers' organization could do.

Urges Making of Wills and Trusts

Wills and Trusts with Trust Company Executors

By JOSEPH W. WHITE

Trust Officer, Mercantile Trust Company of St. Louis, Mo.

The power to dispose of property by will is not a natural right, but is the result of custom. The earliest civilization of which we have knowledge centered in the family, with the patriarch at its head, who held the property as a trustee for his descendants and kindred and consequently all property passed by succession. With the increase in population these family rights gave way to the tribe and later to the state.

The expanding of society and civilization found the rules of succession inadequate to meet the new and more variegated obligations, and this gave rise to the right to dispose of property after death, in accordance with directions given during life, or as we know it today, by will.

We owe to the Romans the development of our conception of wills. The

most document a man is ever called upon to execute. It should be prepared by experts and I use the plural advisedly.

The drafting of a will should be entrusted only to one who has made a serious study of the subject. Improperly drawn wills are frequently the subject of prolonged and expensive litigation and very often result in the dissipation of the estate.

Impossible to Correct

Mistakes in Will

You all recall the story of the old negro who was trying to explain to his better half what became of the munificent sum of one hundred dollars she had entrusted to him to deposit in the bank. He said, "I put the money in the bank, Liza, but when I went back today to draw it out the man told me the interest had done ate up the principal." That is what happens to many estates, the expenses of litigation eat up the principal.

A will is peculiar in that it has no legal effect until the death of the maker. It is filed away in a safe deposit box to await the hour when it will come to life and no error can then be corrected. If a mistake occurs in a contract it may be possible to amend it but as a general rule mistakes in wills are not discovered until after the death of the maker.

The multiplicity of inheritance and the estate taxes renders it inadvisable to execute a will without considering what inroads these taxes will make on the estate. It is possible for an estate to pay inheritance taxes in a great many states and to the federal government. Ownership of stock and bonds in corporations incorporated in different states is the principal cause of these taxes. An estate handled by our company was required to pay a tax in 16 different states and to the federal government. Life insurance has been of inestimable value in replacing the losses caused by these burdensome taxes.

Taxes on Bequests Left

Nothing for Sons

A very wealthy man died in Chicago about a year ago and by his will left a large number of bequests and devised to distant relatives and friends, and the remainder of the estate to his two sons. A clause in the will provided that all inheritance taxes on the gifts to relatives and friends should be paid out of the residuary estate. These taxes were so large that they practically consumed the residuary estate leaving nothing for the two sons. I understand the sons have filed suit to break the will.

A lawyer is remiss in his duties to his client if he does not counsel and advise the client on this very serious situation. The stock of a certain large corporation standing in the name of a decedent, cannot be transferred until consents or waivers are obtained from seven different states. At the time a will is made a tax expert should examine the securities to determine whether or not any of the securities should be sold and reinvestment made in other securities not so heavily taxed.

Making a Will Requires

An Alert Mind

Don Quixote said, "A truce to jesting; let me have a confessor to confess me and a lawyer to make my will." There was an old superstition that the making of a will should be deferred until death was knocking at the door. In our present day civilization nothing could be more to the contrary. A will should be

prepared when every faculty is alert, when careful consideration can be given to the many problems which confront the testator.

The greatest deterrent to the execution of a will is procrastination, that desire to put off until tomorrow—because tomorrow is often too late.

Bruce Barton, in "Collier's Weekly" some time ago, told a sad story of a young man who had been very successful in Wall Street. On his thirty-eighth birthday he decided that he might not live forever. He sent for his attorney and gave him the data for his will; he sent for an insurance broker also and was accepted for a large policy. A week later they returned, the lawyer with a draft of the will, the insurance man with the policy.

The young man brushed them both aside. "Just leave the paper with me," he said, "I will look them over at my leisure." The following afternoon the newspapers reported that the young man was dead. His affairs were involved. The young widow was inexperienced. There was no ready cash to finance his ventures and as a result only a fraction of that estate was saved, which had promised so much.

Widow's Fortune Sunk

In Dry Holes

In fixing the provisions of a will, your eyes must search far into the future, and endeavor to safeguard your family against vicissitudes. The calamity which befell an old lady of my acquaintance illustrates this point. Her husband died about the year 1900, and left her his entire estate and all of his life insurance. She managed it carefully, gave her two daughters a college education and in 1919 her principal of about \$75,000 was intact.

With the post-war increase in living costs she found that her income was insufficient for her needs. Unwilling to encroach upon the principal, she sought a means of increasing the income. The oil boom was then in full swing, and a high pressure oil salesman took over half of her fortune and presumably it was buried in dry holes in Oklahoma, for she never received a dollar in return.

She was a sensible, capable woman. She had husbanded her inheritance for nearly 20 years. Old age evidently had dimmed her judgment and she lost the major part of the estate at a period in life when it was most needed. The creation of a trust for this widow would have preserved the estate for her during life and for the daughters after her death.

Distant Relatives Took

Half of Small Estate

The failure to make a will often results in many complications. Distant relatives, who perhaps the deceased had never seen, may receive a portion of the estate. We administered on an estate of about \$20,000 some time ago where the deceased left no will. There were no children or known heirs and the widow felt that the entire estate would pass to her. A few months after we took charge of the estate certain nephews abroad proved their relationship to the deceased and took one-half of the estate as heirs at law. The widow informed us that the husband had never spoken of these relatives.

When no will is made the shares of minor children are in the hands of the court until they attain their majorities, committee composed of directors and

with resulting expenses and difficulties, especially in selling real estate.

In talking about a will with a very wealthy man, he said, "I don't intend to make a will. The law will distribute my property in just the manner I want it to go." What a sorry type of citizen. In the whole span of his life no cherished friend was met to whom he longed to leave a remembrance, the piteous cry of the afflicted and suffering had not touched his callous heart, no need of his community called for alleviation and he will leave the appointment of his administrator to the judge of the probate court.

Selection of Executor

Is of Prime Importance

The selection of the executor, or the one to administer on the estate on the



PAUL F. CLARK, Boston
Vice-President National Association

118th novel of Justinian is the basis of the English and American statutes on the distribution of intestate estates.

The advent of feudalism in England, and the development of the doctrine of primogeniture greatly changed the rules of the civil law governing the succession to property. Under the feudal system, for the purposes of offense and defense, it seemed wise to keep the estate intact, and the eldest son of the feudal lord was preferred in succession. Females were denied the right of succession, because they could not render military service, and because by marriage the estate might pass to enemies of the crown.

Right to Dispose by Will

Freely Granted in U. S.

In the United States, military tenures have never been recognized, and the power to dispose of all property by will is freely permitted with but few limitations.

Thompson defines a will as, "A legal declaration of a person's intention or wish respecting what shall be done after his death, touching the disposition of his property, the guardianship of his children, or the administration of his estate."

Statutes of various states, governing the devolution of property of intestates were enacted for the masses, and as a general rule are not satisfactory. By the execution of a will the administration of an estate is greatly facilitated and the expense of administration materially reduced.

The preparation of a will is a most serious undertaking. It should be attempted only after mature thought. A will passes all the accumulations of a lifetime. The future welfare; aye, the very life of your loved ones may depend upon it. It is unquestionably the great-



GEORGE W. AYARS, Los Angeles
Phoenix Mutual Life

death of the testator is of prime importance. If a trust is created in the will even more serious thought should be given to the appointment of the trustee. The executor handles the estate for a year, or such other period as prescribed by state law. His duties are manifold; he must liquidate the indebtedness of the estate, adjust the taxes, and account to the court for all his actions. It requires sound financial judgment to properly liquidate an estate, prevent the sacrifice of securities and preserve the maximum estate for the beneficiaries.

If a trust is created in the will the executor turns over the estate to the trustee on final settlement in the probate court. The trustee will hold and manage the estate for the period fixed by the will.

Advantages of Corporate

Trustee Over Individual

The advantages of a corporate executor and trustee over an individual are numerous and I shall mention only a few of them.

First. A trust company has perpetual existence, an individual executor or trustee may die or become incapacitated.

Second. One of the principal functions of a trust company is to act as executor and trustee. A trust company brings to an estate highly trained and experienced corps of officers and employees, it has real estate experts, tax specialists, investment experts and learned counsel. An individual has his own business to command his attention and could not be expected to neglect it to care for an estate.

Third. When a trust company is in charge of an estate the investments and decisions of importance are not made on the judgment of one man but by a committee composed of directors and

trust officers. An individual must rely on his own judgment.

Trust Company Keeps Abreast of the Times

Fourth. A trust company is absolutely impartial and consequently can make unbiased decisions. An individual is frequently hampered in making decisions because of family connections, or through fear of the criticism of disgruntled heirs.

Fifth. A trust company keeps abreast of the times. In the income tax and estate tax fields alone we have obtained refunds of thousands of dollars for our estates when courts' decisions and treasury department rulings have made the refunds possible. The average individual has little or no experience along these lines.

Sixth. The fees paid to a trust company as executor or trustee are the same

federal estate tax. You know that if life insurance is made payable to the estate of the insured or to a designated beneficiary to be used to pay taxes or other charges against the estate, it is all subject to federal estate tax under the treasury department rulings.

Makes the Insured Think of Income

A great benefit to insurance men, from these trusts, has been that it causes the insured to think in figures of income and not of principal. An influential doctor created a \$50,000 insurance trust a few weeks ago, with the income payable to a relative during her life. A few days after the agreement was signed he telephoned me that he felt the income from \$50,000 would be insufficient for his dependent. I agreed with him and he took out an additional \$50,000 of life insurance.

The main purpose of life insurance trusts is to conserve the wealth you are creating. It is estimated that about 90 per cent of all insurance is paid in lump sums to beneficiaries, many of whom are unskilled in financial matters. Is it any wonder that a large portion of these funds are speedily dissipated either in uncalled for luxuries or in improper investments?

It has been stated that over a billion dollars is lost each year in the United States through fraudulent investment schemes; and that 90 per cent of the estates of less than \$5,000 are entirely dissipated in seven years. It is needless to multiply instances where estates have been lost to the beneficiary for it is an every-day experience with you.

Conserve Estates for Defenseless and Inexperienced

It is our hope and desire to conserve these estates for the defenseless and the inexperienced. The trust company argument should not be that the life insurance trust is preferable to the insurance company annuity plan nor should the insurance company assert that only under their plan can the beneficiary be protected.

The day is not far distant when the insurance companies and the trust companies will join hands in a great and united campaign of education to convince the public that they must not only purchase life insurance for their dependents but must conserve it to the end that it may serve the purpose for which it was acquired.

To urge your clients to make wills and provide safe-guards for the protection of the proceeds of insurance coming with absolute disinterestedness from you, would carry great weight and would be of incalculable benefit to them. Having made a trust company connection and learning of the many services and safeguards the corporate fiduciary has to offer, an impressive effect will be made on the clients with resulting good will toward the insurance man.

May Ethically Recommend Corporate Fiduciary

As a general rule it requires only a brief conversation with clients to convince them of the urgent need of putting their affairs in order. Once the decision is made they are usually most anxious to secure life insurance for the protection of their dependents and to safeguard their families by the execution of wills.

You may ethically recommend the corporate fiduciary because you are rendering a valuable, impartial service to your clients that will benefit their loved ones. After all, ethics is but the science which teaches the rules that are to be followed in order to do what is right and avoid what is wrong. The records of the trust companies are known to you. If you believe them to be proper instrumentalities to safeguard the estates of the widows and orphans of this land then you may use your unbounded influence with the American public to foster the use of the corporate fiduciary for the conservation of wealth and for the protection of the defenseless.



GRIFFIN M. LOVELACE
New York University

as to an individual; while a trust company's long experience in fiduciary work often results in economy and saving to an estate which individuals could not effect.

Many men argue that if they do not name their wives as executors and trustees under their wills they are casting a reflection on their judgment and business sense. These same men usually are the ones who tell their wives absolutely nothing about their affairs during life, then pass on and expect their totally inexperienced widows to administer the estates capably.

Life Insurance Trust Parallels a Will

The life insurance trust closely parallels a will. It is not a part of a will but a separate instrument.

The agreement provides that the proceeds of the insurance on the death of the insured, shall be payable to a trust company as trustee. The trust company holds the fund and disburses the income and the principal according to the terms of the agreement. The trust may be revocable or irrevocable.

The great advantage of trusts of this character is their elasticity. The insured arranges the agreement to meet the needs of his particular family. It may provide that the income shall be paid to the widow during her life, with power to make advances out of the principal in cases of sickness or misfortune. The trustee may be authorized, on the death of the widow, to pay her funeral expenses and the expenses of last illness out of the fund, and to distribute the balance to the children of the insured, or other designated beneficiaries.

The agreement may be drafted to permit the trustee to purchase investments for the life insurance trust from the executor of his estate and thus provide funds in the estate with which to pay taxes and expenses of administration without making the insurance subject to

GREETINGS to Underwriters

In the great work to which we are all committed, the Grizzard System joins in a re-dedication to ideals and purposes advanced by the underwriters assembled at Kansas City.

That success may crown all efforts to make the institution of Old Line Legal Reserve Life Insurance even greater, nobler and more widespread than any accomplishments of the past is our sincere wish.

The Grizzard System during its seven years existence HAVE NOT, DOES NOT NOW, and WILL NOT proselyte the Underwriters of other organizations.

Thrif  Protection
GRIZZARD
Pronounced Griz-ard
SYSTEM

Chicago, Detroit, Cleveland, Columbus
and Principal Cities

GRIZZARD SYSTEM OF AMERICA, Incorporated
Executive Offices, Illinois Merchants Bank Bldg.

CHICAGO

Protection of Business and Credit

THE varied ways in which life insurance can be used to extend protection to business and credit were discussed Thursday morning in a symposium in which a number of well-known writers of business insurance participated.

Capitalizing Brains

Outline

- I. The Merchandising Type of Business.
 1. The Richard Roe Furniture Company, Inc. (example)
 - A. \$50,000 capitalization, at money cost of 6 per cent.
 - \$10,000 or 20 per cent net annual returns.
 - Substantial permanent type of business.
 - Owner can build for future.
 - Tangible assets made available for dependents at death of owner.
- II. The professional and brokerage type of business.
 2. John Doe, Consulting Engineer. (example)
 - A. No capital.
 - \$10,000 annual income.
 - Type of business that dies when John Doe dies.
 - Owner builds for his own lifetime, only.
 - No tangible assets available at death of dependents.
- III. Life Insurance to supply the tangible assets for John Doe.
 1. Carrying cost for \$50,000 Life Insurance capitalization of brains, ability and experience, 2 to 3 per cent, annually.
 2. No possible shrinkage in tangible assets at death.

DON L. STERLING, American Life Reinsurance, Dallas, Tex.: During the first ten years of my sales experience I was associated with food products and specialty manufacturers, where as salesman and sales manager I came to look upon a certain type of business as the ideal of commercial ambition and success. To me the brick store building, housing the retail merchant, the warehouse with its jobber, and the factory with its manufacturer, seemed to represent the substantial, lasting and permanent type of business. And I believe that the average layman is inclined to look upon this type of commercial activity in much the same light.

I think we see in them the evidences of permanency and appraise the very substantiality of their tangible assets as something of definite, monetary value. We recognize in them something that can be built for the future, something that can be handed down to our dependents for their support when we cross the Big River.

But all men can't be in the retail, jobbing and manufacturing business. For one thing, but few have the capital sufficient to successfully enter this field. Does it mean then, that the chap who derives his income from other fields where capital is not invested and incorporation unnecessary, must be content to build a business that dies when he dies?

Build Business That Has No Value at Their Death

Now what of that great group of merchandise brokers, manufacturer's agents, district managers for specialized products, engineers, contractors, architects, commission men, lawyers and doctors, that constitute a large part of our office building population? Seldom are they incorporated and but little cash capital is employed in the operation of their professions. They handle little or no stock or raw material, and equipment and mechanical fixtures are minor factors. Their chief stock in trade is experience, acquired ability, training and the application of those all important brains to the conduct of their various enterprises, and yet, without large capital and those tangible factors that are representative of capital, they are able to produce very substantial incomes. But the fly in the ointment is at the point of the intangi-

bility of their assets. They cannot turn their brains, experience and ability into cash at death, for the support of their dependents. They spend all their lives in the building of a business that has practically no value at their death, which fact in itself is obviously a business tragedy. Surely no man can be fully satisfied to conduct a business that becomes valueless the minute he crosses the River Styx, if he can be shown a practicable and feasible method by which he can establish a definite and guaranteed value. And it is the mission of the life insurance agent to show him the method.

Income Same as That of \$50,000 Corporation

John Doe, consulting engineer, enjoys the same return from a year's application of brains, ability and experience as the Richard Roe Furniture Company in the operation of \$50,000 capital. One is incorporated and the other is not, but both derive a \$10,000 annual income. In the latter case it represents 20 per cent net return on \$50,000 capital while in the former it means just \$10,000. But the pity of it is that John Doe has no tangible assets in his business to leave his dependents at his death, whereas Richard Roe has. There is, therefore, a marked inequality between the two enterprises, although they both produce the same annual return. Now the institution of life insurance holds the key to a method by which they can be placed upon a basis of virtual equality.

Here is the key to the situation, as I see it. As the life insurance representative, I suggest to John Doe that he capitalize his brains and ability, in lieu of raw materials and equipment, for \$50,000, my company to perform the capitalization in effect, if not in fact, through the issuance of a bond of unquestioned security, by the terms of which we will guarantee the value of his business to be \$50,000. In other words, what we practically agree to do is to buy his business at his death for \$50,000 and the gross carrying charge, to maintain his capitalization, is from 2½ to 3 per cent. Further than that, we agree to step in, should he lose his health, and return him an annual dividend from his \$50,000 capitalization of \$6,000, or 12 per cent, and still buy his business out for the full \$50,000 when he dies.

Virtual Capital Costs But 2½ to 3 Per Cent

In the face of the fact that Richard Roe Furniture Company is paying at least 5 to 6 per cent for its capital, John Doe has the edge on him, since his virtual capital is costing but 2½ to 3 per cent. John Doe's business is worth \$50,000 without the possibility of depreciation at his death, whereas Richard Roe's dependents may not be able to dispose of his business at 100 cents on the dollar.

This plan of presentation can be elaborated upon to an even greater extent. I am taking time to present only the skeleton outline. The plot of the presentation is to divert John Doe's tendency of mind to a business analysis of his real situation, instead of a distasteful consideration of his personal needs for life insurance.

Keep your presentation in the business channel and avoid the personal angle. You can get over your idea and your story complete before he wakes up to the fact that you are talking life insurance. More than that, you have put up irrefutable logic that he can't very easily combat. It's a different angle that gets his interest and properly and persistently presented it is capable of producing a splendid volume of business.

Cover Financial Backer

Outline

Walter Weston, aged 28, wishes to enter the garage business and desires to borrow \$10,000 from a conservative capitalist, his uncle, Stephen Graham, aged 50. Graham wishes all the security he can get to induce him to make the loan.

EDWARD A. WOODS, (Pittsburgh): Mr. Gilman, you are contemplating financing your business. Your uncle contemplates lending to you \$10,000 and you want to secure him and he wants to be secured. I have a rather simple suggestion which I believe will help you in your problems. I am proposing that you pay about 4 per cent to amortize that loan in 25 years. We will call it a 25-year endowment. One of two things will happen. Either that loan will be repaid in 25 years or it won't. If it is repaid and this money is deposited, it might be a nice asset to you where you can take the policy over. If it is not repaid, one of two things will happen. Either you will both be living or one of you will be dead, unless you both die simultaneously, which is unlikely. If you are both living, you will have this \$10,000 yourself. If one of you dies, either you will or he will die. If Graham dies first, either his estate will want to continue this loan or not. They will be a great deal more likely to continue this loan in the growing value of the policy and to secure it. If they don't continue the loan, you will be much more ready to transfer the loan, you will have this policy.

Simple Method for Amortizing Loan

You may not be well. If you are not well, the policy will be valuable. If you are well, the growing cash value of the policy will be valuable. Now, if you die first, either Graham will continue to retain his interest in the business or not, one of the two. If it is the intent that he should continue his interest he would be much more likely with this \$10,000 capital. If he doesn't want to continue the interest, the money is there to pay him off. In either case you are simply paying an average of about 3 per cent to amortize this loan whether you live or die. Graham will be much more likely to continue the loan. It will be far more possible for you to transfer the loan in any of these contingencies and if you should be disabled under this plan I propose the loan will be gradually paid off and still \$10,000 will be paid when you die. If you should die from accident, the loan will be paid off. I am proposing the amortization of this institution I represent by that loan so it will be paid off at definite intervals, when you are 53 and Graham is 75. At that time anyway the loan will be paid off. If you die, you will be paid off. I think I can help you to get this loan. It will please you and Mr. Graham.

Insurance on Debtors

Outline

Mr. Brown, age 35, owes Mr. Gilman \$50,000 on promissory note with principal to be paid back out of future earnings of Mr. Brown's business. Object to show Mr. Gilman advisability of having Mr. Brown take insurance to cover indebtedness.

W. M. FUREY, (Pittsburgh): Do you remember the other afternoon when you and I were having that delightful game of golf you happened to mention the fact that your personal friend, Mr. Brown, borrowed \$50,000. You didn't exact any security, I believe, knowing that his intentions are right and that if he lives and his business prospers he is going to pay that money back as promised. You took a promissory note bearing 6 per cent interest.

It has occurred to me that if Mr. Brown were suddenly called to the Great Beyond you might be placed in a very embarrassing position. It would be necessary, then, for you to present your claim against his estate. You would probably have to wait a year until the estate is settled before you got your money. Perhaps the very money that will satisfy your claim might be badly needed by Mrs. Brown and the children for their education and to live on.

Suggestion That Will Relieve Embarrassment
Now I have a suggestion that will relieve this embarrassment. I would like



W. M. FUREY, Pittsburgh

to present to Mr. Brown the question of taking out some insurance, making you the beneficiary, so that if he should die it will be unnecessary for you to make any claim against his estate.

As he expects to pay this money back within a period of six years, I think perhaps in this case a term policy will meet the requirements and keep the cost down. The cost would not run over 1 per cent per annum. With your permission, I want to call on Mr. Brown this afternoon and present this matter. Charlie, I think you know me well enough to know that I will endeavor to so present this matter to Mr. Brown that it will not cause any embarrassment in your friendly relationship with him. I shall call this afternoon and give you a ring in the morning.

Credit Protection

Outline

"A One Man Business." Prospect 37 years of age. Worth \$50,000, a general contractor. His capital largely invested in machinery and equipment. Owes \$20,000 at bank. No business insurance. Married. Needs \$25,000 payable to estate for protection of loans and extension of credit.

ERNEST J. CLARK, (Baltimore): You have requested some information on credit protection on insurance. Of

course, you realize, Mr. Gilman, that in the event that your partner should die you would have no partner, no son to carry on. Furthermore, you have invested your personal capital in plant and machinery of various kinds in order to continue business. That, in the event of your death, would also shrink at least 50 per cent. All of this your bankers carefully understand. I have carefully analyzed your situation, and you need at the present time a minimum of \$35,000 of credit protection. Now, that will do these things for you. In the first place, it will give to you coverage for your present outstanding bank loans of \$20,000. It will give to you an increased line of credit which you very much need, I understand, for working capital. In the event of your



WILLIAM M. DUFF, Pittsburgh, Pa.
Equitable Life of New York

death, uncompleted contracts outstanding, it will also provide a one year's income tax in the event of your death which is also due and probably the cost of administration. No debts will be passed on to your widow. Your business will be left intact and subject to a more sound basis. All of this I will give to you for a very nominal annual deposit.

Partnership Needs

Outline

Prospect—Gilman & Smith, a partnership in the grocery business; ages—40 and 35 respectively; amount invested in the business—\$20,000 in equal amounts; each of the partners having a wife and children. The children are all under ten years of age. The respective families are largely dependent upon the business for support; not over \$5,000 personal insurance carried by either partner.

FARLEY J. WITHINGTON, Mutual Life of New York, Rochester N. Y.: Demonstration to Purchase a Partner's Share at His Death. Two-Minute Sales Demonstration.

Prospect: Gilman & Smith—a partnership in the grocery business; ages 40 and 35, respectively; amount invested in the business, \$20,000 in equal amounts. Each partner has a wife and children. The children are all under 10 years of age. The respective families are largely dependent upon the business for support; not over \$5,000 personal insurance carried by either partner.

"Mr. Gilman, my name is Withington. I have come in to talk with you on a matter that is of the most vital importance to your business.

"The company which I represent, which has a billion dollars back of it, has a co-operative plan, whereby it contracts to furnish financial aid to a business like yours at a time when it most needs it.

"You will agree with me that the greatest hazard that a partnership like

yours faces is the death of one of the partners. Will you not?"

Answer: "Yes."

"You are aware, of course, that the death of you or your partner dissolves the partnership?"

Answer: "I am."

"You are also aware that if your partner should die, you would either have to purchase his interest, close out the business and divide the proceeds, or take your partner's wife into the business as your partner. Now if your partner should die, would you want to take his wife in as your partner?"

Answer: "I would not."

"No, you wouldn't—neither would you want to liquidate the business. You would want to buy his interest, and either carry on the business alone, or sell his interest to someone who would be an active and agreeable partner. Would you not?"

Answer: "Yes."

"Now suppose you should die first, would you want your wife and family dependent upon your partner for support?"

Answer: "No."

"The solution of this problem which you face is an 'Automatic Bill of Sale' whereby at the death of either you or your partner, the survivor comes into possession of the interest of the deceased member, and the family of the deceased member receives in cash the full value of its interest. This may be the book value, or an arbitrary value. In the latter case, a minimum price is established, and if the book value is greater than the minimum value, then the surviving partner may be given a certain amount of time in which to pay the balance. This is the only sure way of preserving the life of your partnership at the same time assuring to your family the full value of its interest in your business.

"Here is where my company performs the service which I have mentioned.

"If your partner should die first, instead of your having to go to the bank and borrowing \$10,000 at 6 per cent interest, providing the bank would loan you the money, my company will agree to pay to your partner's wife, or to your wife if you should die first, \$10,000; and all you have to pay is about 2½ per cent of the principal per year, and no interest. You would then find yourself in possession of a business worth \$20,000; and your partner's wife would have \$10,000 in cash.

"Before we can enter into this agreement, it will be necessary for our doctor to check you and your partner up as to your physical condition. Will it be convenient for him to come in to see you this afternoon about two o'clock?"

Answer: "It will."

Provide Sinking Fund

Outline

Prospect, The Gilman Paint & Varnish Company of Kansas City. Charles C. Gilman, president, age 46. Paul F. Clark, vice-president and general manager, age 42. Everett M. Ensign, secretary and treasurer, age 44. Edward A. Woods, superintendent, age 40. Henry J. Powell, general sales manager, age 35. George E. Lackey, formula expert, age 32. Capitalization: \$500,000. Net earnings, 1924, \$30,000. Bond issue to cover cost of expansion and improving machinery. Term twenty years. Interest 5 per cent, callable at 104. Total issue \$150,000.

WILLIAM M. DUFF, Pittsburgh, Pa.: Your secretary told me this morning that I might present to you very briefly a solution of the problem you have in mind. My solution is very simply this: \$150,000 sinking fund, I propose to provide. You make an annual deposit of approximately \$6,000, a little less than 4 per cent. At the end of 20 years, I will provide, guaranteed by a very strong financial institution, \$50,000. I propose to do this by means of endowment insurance, \$20,000 on each of the six important men in this corporation. The policies will, in the event of death pay \$25,000 into the treasury. The

Attorney Tells Importance of Clientele In The Profession

AN ATTORNEY, R. R. Brewster of Kansas City, Mo., told how highly professional men should value their clientele at the opening session Thursday morning. Mr. Brewster, a life insurance enthusiast, brought the outsider's viewpoint of life insurance. He said:

I have been asked to speak upon the subject of the client, the greatest asset of the professional man. The true professional viewpoint is to think of the client's interest first and one's own interests afterwards. And, so, with your permission, I want to change my subject to this: service and loyalty to clients, the first aims of the professional man.

Life Insurance Is Truly a Profession

Life insurance is not only a business, but life insurance is a profession in the highest sense of the word. You touch the deepest and tenderest sentiments of the human heart; love of wife, of child, family ties, rule the world.

You go to the professional and the business man with a proposition that is not only for his protection, but for the protection of those whom he loves, and oftentimes you fight a battle with him to protect those who are his dependents and who in his ignorance or his carelessness he would leave unprotected, if you are to succeed in the insurance business, it must be because you love the profession and you glory in the traditions and in the opportunities which it presents. Every time you sell that insurance policy you are a benefactor, not only to the man who buys it, but to those who are dependent upon him, and you should go to your prospect, or to your client, with this thought uppermost in your mind: How can I serve him? What are his needs? What kind of insurance should he have? How can I best convince him that he should pause long enough to study this great question of life insurance? You should become a life insurance expert, and then you should be able to convince your client that you are an expert and then you should never leave your client's

office until you have sold him what he ought to have.

That seems to be, that is a wonderful field, a wonderful opportunity. Would you realize that professional business men know very little or nothing of life insurance. They know in general way that they should have a very few of them ever read the provisions of their policy and that is often true of lawyers. They read the contract, they scrutinize the client's action in business, etc., but when it comes to their own life insurance policy they very seldom read it, and you know most life insurance policies have so many provisions in them that you don't have time to read them any way.

I said that life insurance was a profession. After all it is the profession take the world to be your pupils, and you should prepare yourselves to teach those pupils the needs of the world, the needs of the world for life insurance; explain the policy to them, do not sell a man an insurance policy unless you are convinced that he understands the terms and provisions of that policy. If he has other insurance, offer to check it over for him and do not do that just to win his friendship, but do it because he is your client and you want to serve him.

See Client Not Only to Sell but to Serve

If the insurance profession is to take its place with medicine and law it must be because you go in to see your client not only to sell him but to serve him. So I bring this message to you. I have tried to present it to you from a professional viewpoint. I believe in life insurance. The only reason in the world I want to make money is in order to be able to buy it, and I can think of hundreds and thousands, on not that many, but hundreds of uses and purposes which insurance can be put to. The field has hardly been scratched and it will be for you to plow it deep. Always with the thought of service uppermost.

sinking fund will retire \$25,000 of the bond at once and the interest on those bonds will be saved and deposited on the insurance, a saving per year of about 17 per cent. In addition, any men becoming permanently and totally disabled will waive all future contributions to the sinking fund. We will pay the corporation approximately \$3,000 a year, and in the event of death will continue the contract.

Now, this thing is very simple. It is very economical, and if you will permit me on Saturday we will go over the details of this. I should like to bring our doctor down and check up these men for the preliminary steps.

MR. GILMAN: You know the one thing that strikes me about a demonstration like this is that it is all theory. I don't know a bird that has nerve enough to go in and talk the way those fellows did. Of course, it is rather difficult for an agent to just ramble on and not have the prospect trying to insult him all the time.

A friend of mine was made publisher of a paper in New York state, one of Hearst's papers in Rochester. I had occasion to go to Rochester on business and look up this friend, with whom I have done more or less business. As we came out together I said, "Mac, you are making more money than you have ever made in your life."

He said, "Yes, and damn you, you are after it."

I said, "I am going to get it," and I did. That was all the interview there was.

The other case was that of young fellows at home that have just started a business. They are bright, aggressive, they know their stuff, and there is not any doubt in my opinion but what they are going to be wonderfully successful. They got all the money they could together and have put it into that business. They are drawing as little out of it as possible. I had the president of that concern in my office one day and said:

Gilman Tells of Own Sales Experience

"Charlie, listen. You know what I think. I don't care whether you agree with me or not, but I think you are going to before you get through. I think you ought to have \$50,000 more insurance at as low a figure as you can get it for the simple reason your business is just in the making. There is not much doubt in your mind, no doubt in my mind but what you are going to be successful and five or ten years from now your family will be enjoying a real solid income, but if anything happens to the account in the next five years the family is going to be deprived of something that might have been theirs had you lived. Just put on \$50,000 worth of term insurance for five years. Possibly at the end of three or four years it will be simple for you to convert, but if you pass out of the picture during the next five years you have at least partially created some of what the family might have enjoyed," and he bought the \$50,000.

Underwriter's Duty to His Clients

Question as to What Form Service is of Most Vital Importance is Discussed by Leo E. Thomas, Big Producer at Detroit

ONE of the greatest personal producers in the business, Leo E. Thomas of Detroit, Mich., who has his policyholders some of Detroit's most important business men, gave at Thursday morning's session his views of "The Initial Duty of the Life Underwriter to His Client." Mr. Thomas wrote the famous \$15,000,000 case on the lives of the Book Brothers of Detroit. He knows what service to policyholders means and how to give it. Mr. Thomas said:

Understand Responsibilities, Appreciate Opportunities

The initial duty of the life underwriter to the client is to thoroughly understand his responsibilities and to appreciate the opportunities afforded him as a representative of the institu-

a will. I don't know anything about it, don't profess to know. Folks, how many of us do know about drawing a will, and if we do how are we going to work the thing out, the two of us, the client and ourselves. Sometimes he doesn't want to tell you anything about his personal affairs. He will tell the attorney and the trust company. That is all right. It ought to be done and done as it should be.

What Must Be Done

After Will is Drawn?

After we have drawn the will, we must do what? We must enlist the institution of life insurance to carry out the plans and provisions embodied in that instrument. We cannot just make the will, or the man cannot just make the will and feel satisfied he has done his job. That will bring to his attention the facts that there are many things he cannot give his family and do for them the things he would like to do without enlisting the institution of life insurance as the medium which will carry on when he goes on. So, in making the will you not only serve the man but yourself in that it is going to help you educate him to the value of the institution of life insurance.

Life Insurance Alone

Can Do What Is Needed

The man will appreciate life insurance and what it will accomplish for him in carrying on his aims, his plans and everything that he is trying to do if he is called away or has had to quit. The trust companies will take in consideration the carrying on of his estate. Trust companies are so ordered under the laws that they can take care of a man, administer his estate, and trustee the estate, pay his inheritance taxes, his mortgages and all that sort of thing but what is necessary to bring that about? Life insurance. You will play perhaps a silent part, but a very important part, and the further on into complications that man has to go to work out the estate problems he will appreciate you and the worth of life insurance.

It is not only just doing something for a man but it helps all things work out better. After you have done that, got the will worked out, so much life insurance taken from his life insurance estate payable to the trust company for his mortgages, inheritance tax, and other contingencies, and purposes (under the contingency fund should be an amount set aside to be used in case of illness or accident or insanity, the aftermath of illness, or accident, or it might come from any one of those two things.

Need Fund to Take

Care of the Family

I think that is one thing which many overlook. I never overlook it. A man says, "My family is all right, and nothing will ever happen," but there should be a fund to take care of the family if one of them should meet with this unfortunate thing. That is just the thought that you all know about as well as I, but I never lose track of it even though a man will push it aside and fight hard to do it. We have gotten down to where the trust company is handling the estate and we have used the institution of life insurance to further the will and to take care of the man's estate while he is living. The next step is to educate the man to the practicability of creating a trust fund to be held by the life insurance com-

pany, the interest yield of the life insurance company is so big, and the conditions that surround the investment, income tax to be paid, and all that sort of thing, makes it a very wonderful thing for the man and for his family.

Arranging Affairs

Under Trust Income

We should make an amount of interest payable to the wife monthly as long as she lives. At the death of the wife of course we take some of the funds and have them payable to the children, then at the mother's death, the interest reverts to the daughter, payable in a like manner as to the mother until they will have attained the age of 45, I will say, because at that age the annuity income is sufficient to warrant the sinking of enough of the principal that is required to pay an annuity after the income value has been exhausted. If the daughter should die ten years after at 55 years of age there is the income still remaining to go to the grandchildren. Many men object to the fact because they think it all may be lost to the grandchildren if arranged in that manner, but that is most practical, and the most practical way we can do it, and that is about the way I arrange my clients under independent trust income.

Daughter Should Have

Most of the Insurance

I never lose sight of the fact that the daughter should have practically all of the life insurance. The man starts out as a man. He has an easier time. He has the father's reputation and the father's property left to him to take care of it; he can appreciate property left to him; he has the position his father left him, and the appreciation of the community of the father behind him. The daughter has no such opportunity, so in working out this insurance program we have to equalize it, at least we ought to.

Our job is so big it is almost ridiculous for me to stand and tell you about it.

Get Idea in Mind, Then

Carry Through with It

It we are to put this thing over the way we should we have to know why the institution of life insurance was founded, what prompted the underlying motive of this great idea and principle that has gone on and on and gained momentum and impetus until it is the greatest power in our economic world today.

Constructive thoughts and ideas gain momentum and impetus until they sweep all opposition and resistance aside. I think the institution of life insurance is the greatest proof in the world of that. That is why we have to get a certain idea and thought in our mind and carry through with it. When I get an idea I work it out, rather, when the thing is suggested to me I work it out, and if I believe it is right I carry it through in spite of hell and high water. I do not care whether it works here, there or any other place, but I make it work if it is right. Everything will work if it is fundamentally right.

Time Is Spent in Planning Business

After you have analyzed all the different things I say just standing here as though there was nothing to it, you must realize you can't spend too much time, effort and energy in order to an-

alyze this thing. It is something you can't think of a day, a week, month, two or three years and work it out. You have to think of it, concentrate and work all the time. I spend all of my time, except that little I take in recreation in this way. I very seldom attend the theater, I play a little golf. This is not to tell you what to do. I read some books of course, I walk down town in the morning, but the balance of my time is spent in planning my business. When I am not in my office I think of this idea and that idea. I take care of my regular clients the best way I can and in the back of my mind I am working out some plan to further the institution of life insurance and its ability to serve mankind. Now we have to keep that within ourselves and keep working and thinking all the time. It is a great big idea that puts things over



LEO E. THOMAS, Detroit, Mich.

tion of life insurance. Civilization offers no other field so vast, so broad, so fertile as is ours, enriched by the golden opportunities to serve our clientele and community. What greater joy in business life is there to be had than the serving of our clientele and the acting as sponsor for man's plans, aims, moral and financial obligations to his family and posterity?

There are so many things that come within our scope of the initial duty of the life underwriter that I hardly know where to begin. I think one of the first things is to interest the client in the drawing of a will. It is regrettable, lamentable, that many men die without making a will. Now why is this so? What is the reason? I believe that the matter is such a personal one that you feel no disposition to urge the consummation of this essential duty.

Part of Job to Urge

Drawing of a Will

You know how we all feel about things of that kind. Now it is not only our prerogative, but it is part of our job to urge the drawing of the will, to bring the man in contact with the attorney, the trust company, for of course those are the only two institutions represented, the law and the trust, that can draw a will as it should be drawn. It ought to be made as nearly infallible as is possible and all the objections the many may offer, all of the "nos", and "wells, tomorrow," you have got to push them aside. You cannot take "no" for your answer. We have to do it.

In drawing the will, bringing the trust company to the man's attention, bringing him in relationship to the trust company, we help ourselves, but the trust company or the attorney will have some ideas and can help us work the will out as it should be. I cannot draw



CHESTER O. FISCHER, Peoria Northwestern Mutual Life

and enables us to be powerful in putting over the thoughts that are necessary to do with your clients what ought to be done.

Keep Away from Thoughts that Are not Constructive

In conclusion, let me ask that each and every one of you take advantage of every opportunity offered to serve mankind. Let us give of our time and thought and knowledge and unsparingly and unstintingly, we must give generously of our time and life work to the community and let us keep away from all those thoughts that are not constructive; intensify our aims, ambitions, activities, to serve and remember, folks, that the law of compensation is only dormant when we fail to utilize to the best of our abilities the talents with which our creator has so generously endowed us.

When we join together in this great idea and wonderful movement to serve mankind we will have made this world a better world in which to live and will have come nearer the millennium of our life.

DISCUSS PROGRAM PLANS

A meeting of the program committee of the Life Insurance Sales Research Bureau of Hartford, Conn., was held Wednesday evening to discuss the program that the organization will carry out at the annual meeting of the Association of Life Agency Officers to be held in Chicago Nov. 17-18. At this gathering the Research Bureau will have one session and at the meeting Wednesday night program details were arranged.

Appeal To Sentiment In Policy Sale

Many Angles That Can be Stressed By The Agent
In Offering Life Insurance As Protection for Family

THE brightest hour on the program Thursday morning was that occupied by the 16 two-minute speakers who "solicited" Charles C. Gilman of Boston, Mass., chairman of the session, for life insurance. The various needs met by life insurance were demonstrated in the talks. Those who spoke, because of the short time at their disposal, were brief and direct. They gave their talks quickly, walked off the stage, and the next man came on without delay. This session, Mr. Gilman explained, was put on for the benefit of the average agent writing average cases for average men.

To Show Possibilities of Brief Sales Talk

Mr. Gilman said: "Two minutes is a terrible time to hold anybody to, a salesman, not necessarily a life insurance salesman, but we hope to illustrate two points. The first is that when you go into a man's office and he says, 'Smith, I will give you five minutes,' you must use your head. Five minutes is five minutes. Of course, if he occupies four of the five minutes, then you can tell him that he is taking up your time. But just remember when a man says, 'I will give you five minutes,' for heaven's sake try to show that fellow you know how to tell time and stick to the five minutes. If he wants to continue the fight, all right.

"The value of the second point is that very often a big deal can be put over inside of a very few minutes. So many life insurance men have to introduce the history of the world, the bible, and everything else into a sales talk. What is the sense in talking to a man when he doesn't know what you are talking about? If you tell a man he is a damn liar, he understands it, everybody does."

Opportunity for Boy

Outline

Prospect age 30. Income \$4,000. Has one son age 4. Needs (a) An income to wife to provide home and public school education for boy. (b) Higher education fund.

ISADORE SAMUELS, Denver, Colo.: Mr. Gilman, it's great to be the father of such a fine little fellow as your Sonny Boy. I know he is proud that he is just like his daddy. It's fine you are able to give him the proper environment of a home and surround him with such influences as will make him the kind of man you want him to be. All your hopes for the future are wrapped up in him. It's a great privilege to guide him! And a greater responsibility! With a Bob and Bill of my own, I know what it means to raise boys.

Today Sonny Boy is well cared for—but what of tomorrow—20 years from now. You hold his fortune in your hand. Of course, your ambition is to give him the best training possible in preparation for life's tasks. But the lack of money because of business reverses, ill health, or death might cheat him of his due.

Help Father Face Such Emergencies Without Fear

I am glad I am able to help you face such emergencies without fear. First of all, you want to make sure that your wife will have an income sufficient to maintain the home and keep Sonny Boy under her guidance. During the formative period of public school and high school years, he must not be robbed of his mother's care and sacred influence.

In addition, you want to be certain that your boy will have the advantages

of a higher education. Such training will strengthen him to meet life's battles in this world of competition where only the strong survive.

But most of all, I am sure your intention is that your son will start from your shoulder; that he will begin where you left off. Your boy is just you carrying on. Your life should be perpetuated in him. He should be fitted to take up your unfinished task and carry it through to completion.

Thank God, Mr. Gilman, you can guarantee the fulfillment of those worthy purposes by provision of adequate life insurance. Here is a chance then to give him opportunities for service, for financial success, and for distinction among his fellow men.

You live for Sonny Boy. You would gladly die for him. Won't you now prepare him to live when you are gone?

Christmas Gift

Outline

Prospect 45 years old, member of partnership carrying insurance with supplemental agreement providing for disposition of business by surviving partner. Carries educational policies to guarantee completion of education of son, 20, in college, and two daughters, 17 and 15, in high school. Has also policy providing for \$100 monthly income for wife.

J. W. EDGERTON, Provident Mutual, Trenton, N. J.: In preparing my canvass for his type of coverage, and I might say in passing that it is perhaps my favorite type, that of a check to come at Christmas time as long as our loved ones are dependent, I invariably appeal to that sweetest, tenderest emotion of the human heart—memory of parental and family devotion and oftentimes sacrifice. We all recognize and pay tribute to that primal urge in man that prompts him to perpetuate his memory by deeds of valor, by achievement and by sacrifice or devotion. Of no gift can it more truly be said than of a perpetual Christmas check, that it is twice blessed, blessing richly him that gives and those who receive it.

Turn to Memory of Parents' Sacrifices.

The mind of my client will follow my suggestive prompting and turn tenderly to the memory of the efforts his own parents made to provide for him temporally and spiritually and to the sacrifices and perchance privations his wife has cheerfully undergone for his advancement. His imagination, aided by our suggestion, conjures up visions of the things he would do for his family. Again comes memory bringing before him the dreams he has had for their comfort and their achievement.

He has provided perhaps or does now, for their education but has overlooked this one act of such fine sentiment. This opportunity to unfailingly send a message to them each year from that far off abode of which we know so little but which he instinctively knows will be more sweet if this be done. And at no time are these dreams so compelling and so tender as at the Christmas Season when all Christendom feels and welcomes the hallowing influence of the memory of the Supreme Sacrifice of all the ages.

Provide Perpetual Christmas Present.

What then can be more symbolic in the finite measure of his ability to give, than to provide for a perpetual Christmas gift to come from him in the Great Beyond as long as his wife

shall live and at least until the children have come to maturity and, looking back through their own experience, which will be like unto his own, can realize the wealth of his love and devotion and hold his memory forever sacred.

He knows when he is gone their Christmas must be sad enough at best but what man will not recoil from the thought of allowing the possibility of their loneliness and grief being more poignant by the lack of the cheer and joy his gifts have always brought them.

Blocks Excuse of "Talking It Over."

The too ever-ready excuse of "Talking it over with the wife" doesn't so readily inject itself into the canvass to stall off decision. The whole setting is propitious, the generous compelling spirit of the season, the willing heart-tenderness toward the loved ones for whose welfare he strives, prompt him to take quick advantage of what I am showing him—a so easy way, a way he had never realized—of having each year a check come from him through a perpetual source to bring joy and gladness and awaken anew the memory of Dada's thoughtful care. And the widow instead of coming to the churchyard to read on the cold marble of his good deeds, will in the warmth and comfort that he has provided turn misty eyes to retrospection and murmur, "The thought of our past years in me doth breed perpetual benediction."

Bequest Insurance

Outline

Emery Ballard, age 40, interested in centenary fund in the Methodist Church. Owing to changed conditions Mr. Ballard had difficulty in fulfilling his desires to financially assist. Suggestion of solving problem by life insurance.

E. E. HENDERSON, Los Angeles: Good morning, Mr. Gilman. I came to see you this morning, because I understand you are a crank about cows. I believe last week you purchased your second cow for Highland Park Children's Hospital. They say you fussed around about that cow like you were buying three or four city blocks. I want to congratulate you. That was a wonderful thing to do, to see that those poor children who will never know the thrill of child play will have pure food and plenty of it.

You know I investigated the hospital last week. Do you know what those children say about these fellows. They call you the milkman. One little fellow in particular said you were his special milkman.

I know that boy of yours. As I came down this morning he was on his way to school on his bike. He whizzed past me like a hurricane. I thought: what a wonderful thing it is that our children are blessed with sound limbs. You and I both are fortunate in that respect. Mr. Gilman, this is a wonderful thing for you to be doing now. It is not much of a burden. Wouldn't you like to continue that? Sure you would. Now, here is what we can do. If you will deposit with us a small interest charge yearly, set up a fund which will take care of the milk for the children for a long time to come, this thing will live after you, a wonderful thing for your children to know, that the old man did a thing like that. Second, if you become disabled at any time this thing will take care of that particular enterprise, that particular hobby of

yours, just like it would if you were on your feet. Mr. Gilman, I want to congratulate all of the men of your spirit in this city. I thank you.

Creator of Estates

C. R. BIGELOW, Des Moines: Good morning, Mr. Gilman. I came in to see you this morning that desire is just as important as the law of preservation which is the first law in nature. A plan or suggestion having for its objective the development of these conditions is bound to attract the attention of any well-married man like yourself and your wife. Here we have a real problem, a real social problem, the solution of which depends upon your willingness to participate in the thing which life insurance can provide. Its value, however, depends entirely upon what you do about it. Insurance is the modern creator of estates. In truth, it is the only institution in the world that will enable you to accomplish the thing that you intend to do if you live long enough. It multiplies the virtues in bank account. Life insurance and poverty are strangers. In fact, life insurance makes charity obsolete. There are the essential characteristics in good citizenship, and they guarantee the comforts to you and your wife as you get to old age.

Agency Men's Live Session

(Continued from page 1)

dence courses was H. M. Holderness, superintendent of agencies of the Connecticut Mutual. Mr. Holderness described the training courses that are used by his company.

Charles G. Taylor, assistant manager and actuary of the Association of Life Insurance Presidents, gave a brief talk on the "Responses of Life Insurance to Economic Changes."

Dr. Charles J. Rockwell of the University of Pittsburgh closed the meeting by summarizing briefly the principal points made by those who spoke.

Big Hit Was Made by "Ten Telegraph Talks"

One of the big hits of the session was furnished by the "Ten Telegraph Talks." These talks were supposed to be replied to a telegram received from a young man who is considering the life insurance business, or who is in it and is considering taking a good educational course. These replies were given by James Elton Bragg, vice-president of the Manhattan Life; Paul Clark, general agent of the John Hancock Mutual at Boston; H. J. Cummings, Minnesota Mutual, St. Paul; Ira J. Fisher, general agent Penn Mutual, St. Louis; Russell S. King, general agent State Mutual, Chicago; O. J. Lacy, vice-president Minnesota Mutual; Joseph Lockwood, general agent Provident Mutual, Kansas City; James McLain, agency supervisor home office Guardian Life; L. C. Mott, general agent Kansas City Life, Oklahoma City, and John H. Russell, associate general agent Pacific Mutual, Los Angeles. The telegram and the replies are printed in an adjoining column.

Client's Needs Must Be Watched Over after a Survey is Made

Insurance Analysis Will Show More Complete Coverage Needed

WHAT to suggest to the client whose life insurance has been surveyed was detailed at the Thursday morning session by Ira J. Fischer of St. Louis. Mr. Fischer followed the speakers who explained how to analyze a policyholder's life insurance requirements. Mr. Fischer stated: In the light of all history it is only a short time ago that a man lived, grew up, took the family responsibilities, his business responsibilities, in those days hardly known as business, but joined with others in accomplishing a particular end, and carried on as best he could. He died it was a sad event but nobody thought the less of him if those who were dependent upon him suffered as a result of hardship. He had taken all of his energy, done the best he could as he lived, as he died there was no other means. The feudal lord or the community took care of his dependents and he died an honest man. What change today!

Man Deficient Who Leaves Dependents Unprotected

The man who dies prematurely leaving unpaid obligations, leaving dependents to hardship, is discredited by his community, his most loyal friends must have a sense of apologizing and of regret at his lack of forethought for those dear ones for whom he had promised to provide.

Modern life insurance must of necessity, with all its facilities, brand the man who does not take care of his dependents as deficient, either physically or morally; he does not live up to his responsibilities. There are two parallels to this; each of which provide material for hours of fascinating study, and to a certain extent give us the causes: The first is the contrast in the crude contracts, guess work of the early protective association, as compared with the modern declaration of independence in which you and I are offering to the public today and the second is the salesmanship of years ago as compared to the accurate fitting of a contract to the needs of an individual and the establishment of that individual and the relationship which justifies the term client.

Definition of What Constitutes a Client

The Standard Dictionary defines a client as an individual who depends upon the services of a business or professional man. We have had a wonderful lot of discussion about our business as a profession, and our policyholders as clients and I confess to you for my part and I believe you will agree with me, on your part, as we honestly look into our own individual cases that the understanding that we have gotten here of what a professional man and what a real client may be brings us a sense of humiliation as we realize our relationship with our own Mr. Average Policy Holder.

There are a few of them and I believe I say this not only from my own angle but from discussion with many others, there are a few who have that frank dependence that has been earned and honored by the aged, so as to justify that term of client. Nevertheless there is an optimistic tone in the use of the term client for it is setting ourselves a goal towards which we are consciously or unconsciously striving. We feel the sense of obligation and a spirit of service such as the early leaders of life insurance showed in organizing the institution. It has been developed, cultivated, broadened until now it is practically a prerequisite in the minds of agency managers in selecting agency material.

Schools, conventions of this kind, agency meetings, books, but most of all the needs all around us have brought

about this change, and it has been a change in our salesmanship from the early "buyer beware" to a conscientious fitting of the needs of the individual client and his beneficiaries. Now we have barely reached this goal, but we have seen a definite picture of the possibilities in it and we have no sooner reached it than we find it is out of date and inadequate, just as in photography from which we borrow the figure of speech. Photography has been revolutionized and the industry of photography has changed to motion picture and we must change with it.

We fitted a policy yesterday to a man, since then a new baby perhaps, an additional financial burden that has come up, and increased income which has resulted in the education of a family so the luxuries of yesterday are the necessities of today, making it absolutely essential that we get the moving picture conception of that picture which we have to have of a client in fitting his needs.

Does Not Know What Insurance Is and Does

The client does not know what insurance is and does. He has a vague conception, he has a sense of satisfaction when first we fitted him of something well done and that the agent was a pretty good fellow, brought something home to him that was just what he had been looking for. He gives us the honor of that sense of dependence which we find in the definition of a client in depending upon us to see that he is adequately protected. We must measure up. The original measurements will not do and if we are to keep his protection wardrobe and the protection wardrobe of his family, or beneficiary up to date, it must be a constant matter of measurements and re-measurements. That is a tremendous task when we think of the number of policyholders of this group right here. How can we do it? There are innumerable mechanical devices. We must be a clearing house for at least two things, detailed information regarding the activities, interests of every step of progress of the individual client, and second, we must have an accurate up to date conception of the newest methods, the newest instruments that are put in our hands by the great life insurance institutions of this country.

Card Records Show Change in Ideas

Constant study, card records and all the modern devices are essential to keep track of the changes. Many agents already use instead of the old small 3x5 card a much larger card, 5x8 in which they record every bit of news that they hear about every client so that when they do meet that client whether it be a call, a telephone conversation or by letter, there is a continuity of thought and the client appreciates that there is a definite interest in him which ties him up to the agent. My own opinion is that very slight changes in our mechanical devices are necessary to get the idea of continuity across in our work. Just means a little additional notation work but the real need, the real ground that we have to prepare is ourselves. It is a development, a continual preparation and re-preparation so that we have not for one instance a waning love of our fellow men.

We have got to have that which brings with it a real passion for service. It must be in every interview to be successful, to really establish a relationship that justifies the term client. If we as men and women as cultured men and women of intelligence and sympathy feel that love of our fellow men and that passion for service, the routine matters will be carried to a reasonable solution under the momentum of the service impulse.

HOW to survey a client's life insurance so as to develop the need of changes and additions was discussed on Thursday morning by Sherwood S. Smith of St. Louis. Mr. Smith told how to use a life insurance analysis as a means of directing the policyholders attention to the need for more coverage. Mr. Smith said:

The survey of client's insurance means simply the inspection of client's insurance and naturally because we are not in the business just simply for the fun of the thing, we want to if we can to inspect and survey our client's insurance for our benefit as well as theirs.

We want to go a step further and recommend the various changes that are necessary in order to keep a man's estate in good order.

Points to Consider in Making Survey

A few of the points that we want to consider in making a survey of our client's insurance is whether or not the insurance is payable to the estate. I wish you would bear with me for a few moments, as I give you a few facts because they are going to be more or less of a repetition. The subjects have been taken up here during the last few days but by repeating we hope to bring home a few of the most salient things that are absolutely necessary.

1. The payment of insurance to the estate. Oftentimes we find policies

Bear in mind that I am not in any way depreciating the value of the training which we all spoke of last night. I am assuming that in establishing the relationship the fundamental training was already there, but it is the spirit that carries it across, the routine duties, cards, calls, letters, mere mechanical nothings if we have not got that spirit behind us and if we have there is a joy in the daily work, a joy in those contacts which may be compared to the joy that a mother finds in the never ending drudgery of caring for her child. Stop a minute. All of these factors, I believe we have talked about already in the original sale except for the one new thought of our work as a continuous guardianship of the client, dealing with the clients needs as not a constant but a variable factor, and strangely, yet naturally enough, the more unselfishly we throw ourselves into this problem the greater the rewards.

Solved a Definite Problem for Client

Pardon two personal illustrations. About five years ago a New Year's morning I stepped into the office of a man about my own age whom I had attempted to find before but had always found him out or busy. In an hour and a half of hard work that man closed for only \$8,000. It solved a definite problem that he had at that time and we built a plan for the future, up to a few months ago I sold him ten additional policies, aggregating \$350,000, and here is the point. In not one of those subsequent interviews did I take a full five minutes. He was sold before and he knew that Ira Fischer would recommend nothing, suggest nothing that was not for the welfare of his own family and business.

The second point is that I am familiar with an agency producing between 7 and 10 millions a year and of that business 60 per cent the last three years has been produced on old policyholders, satisfied clients.

Salesmanship is changed from let the buyer beware to methods justifying our use of the term clientele and let's take the next step, and acknowledge our obligation to render perpetual service honoring the dependence placed upon us by the client and paying our debt to those who gave us the great institution of life insurance under whose banner we joyously serve and earn our livelihood.

that are paid to the estate when it is absolutely wrong. Keeping in mind the \$40,000 exemption that the federal government allows on all estates, the contingent beneficiary clause which should be included in every policy, taking care of the contingency where a man and his wife are killed together or where the wife should pass on before the man has a chance to have his beneficiary changed. The next point here is the lump sum insurance, which should be changed to the option plan, of course, and naturally we keep in mind all the time the double indemnity clause and disability feature which we can add at any time. Some of us think otherwise on that particular point but it is a very good way to get in touch with your client and add new insurance.

Insurance trusts were taken up yesterday. We all agree here.

Using Dividends for Paid-Up Insurance

I do not wish to be misinterpreted upon this particular point, but there are certain cases where dividends on a policy can be taken and used for paid-up insurance, or second insurance—a point which we all would do well to remember. That will take us over the more or less technical changes that we might make in policies when analyzing them and when we finally start in with a definite proposal to put before the man, we have had our changes in the contract,, the mechanical changes we want to take care of cleaning the slate, probate court fees, lawyers fees, administration expense, inheritance taxes, etc., sickness and doctor's bills. The next of course is income for the widow, the next thing for the education of the children and a point I think we would do awfully well to remember was the point brought out yesterday that the education should not only be for the college but for the boys and girls through high school.

Making of Will is Always Important Part

The next point has not directly to do with insurance except that it helps to put the man's affairs in good condition and that is the making of a will. I think that is a very important point brought out here yesterday of making a will.

The next point is we can oftentimes suggest the bequest idea and finally, the business insurance. Naturally there is a great deal said about analyzing policies and we all like to do it. We go away rejoicing when we get a man's policy. There hasn't been said much on the point of getting it. You can say what you want to, if you impress upon the man that the part of his estate most important is his insurance he is sometimes very reticent about giving us those policies.

If it is a client of mine and he knows me all right, fine, but if he doesn't know me I usually try and say something like this: "I would like to have you waive the idea, Mr. So and So, that you have not done business with me before and inasmuch as you have a piece of property, whether it is a house or anything else, it needs improvements as time goes on and I would like to make those improvements for you."

Asks Return of Card If Not Interested

Before I close I would like to give you a little idea on getting in touch with policyholders or clients or prospects you do not know. It is a circularization plan and I think it is unique inasmuch as a letter is sent out in the first place from a service department. It has a card with it and that card, contrary to most cards, does not read, "If you are interested return this card." It says, "If you are NOT interested, return this card and we do not give you the service that we offer free of charge." These cards do not come back the way

the others do and if you will send out after you have received those cards, back to the remainder a follow up with four ideas, any that you wish, in weekly installments, so to speak; give them a folder in which to keep them and you can pick out contingent beneficiary clause, optional settlement, or anything you wish. I am sure that you will find a very courteous welcome waiting for you when you get there. This is a sample of the way we analyze and have built a man's policy. We just make a note of the premium payments. We have the proposal here in its form in which you want to have his insurance arranged, you have the company here, the client's policy date, annual premium payments, when premium ceases and then go through with each and every policy just exactly what is in it. In that way I think you can gain a great deal more of a man's confidence than by simply selling him a regular policy.

SALES TALKS BIG FEATURE

(Continued from Page one)

through the work of establishing one's personality and the standard of one's business integrity.

"The value of a clientele it seems to me is determined in the final analysis by three things: First, the number of clients that we have; second, the quality of our client, and third, the type of service that we render.

Insurance Man Can Solicit Clientele

"A good many of us I am sure, through our acquaintances with men in other professions, have realized the value of a clientele. I like to think that men and women engaged in life insurance underwriting are in just the same category as men engaged in law and medicine, but as the lawyer said to me once, when I was starting out, 'You know you are going into a great profession, but you have an advantage. We have to put up our shingle and wait for the business to come. You fellows can go out and solicit your clientele.'

"And so we can; we can go out into the highways and byways and by selling our goods properly attract a clientele which the men in most professions have to wait to acquire. It is questionable whether a great percentage of those engaged in life underwriting really appreciate the value of a clientele, as it is appreciated by men in law and medicine, and so this morning we wanted to hear from a man who was in one of these great professions, and who has built up a great clientele."

Attorney Tells Value of Clientele in Profession.

He then introduced R. R. Brewster, a prominent Kansas City attorney, who spoke on "The Client—the Chief Asset of the Professional Man."

Next came Leo E. Thomas of Detroit, who has made such a phenomenal production record. Mr. Thomas wrote the \$15,000,000 case on the Book Brothers of Detroit. Mr. Thomas spoke to the topic, "The Initial Duty of the Life Underwriter to His Client."

Two-Minute Talks on Specific Needs

The novelty of the Thursday morning session was the series of two-minute talks given in rapid succession by 16 personal producers. Charles C. Gilman of Boston was in charge of the session and acted as the prospect. Each one who solicited Mr. Gilman showed one distinct need filled by life insurance.

Isadore Samuels of Denver, Colo., took the prize as the most effective two-minute speaker at the sales demonstration session. The audience indicated its desire to have Mr. Samuels get the prize by the applause it gave.

George E. Lackey of Oklahoma City was the chairman of the session devoted to "Preparing the Ground for Future

Service to the Client." The first speaker on the subject was Ira Fischer of St. Louis. With the same general topic as a guide, Sherwood S. Smith of St. Louis spoke on "The Survey of the Client's Insurance."

Importance of Wills and Trusts Explained

The importance of wills and trusts and their relation to life insurance was the topic handled by Joseph W. White of the Mercantile Trust Co. of St. Louis. The Mercantile Trust Co. has for several years been cooperating with life insurance men in the creating of life insurance trusts.

The subject was closed by Chester O. Fischer of Peoria, who sketched the next steps that should be taken by a client after the survey is made.

T. Norton of Toronto, Can., spoke briefly as the last speaker on Thursday morning, bringing a description of one phase of the educational work that has been carried on in Canada. He spoke as a representative of the Canadian Association.

Training is Needed To Render Service

(Continued from Page 6)

of the various problems that may present itself in the sphere of practice.

Real University Education Needed

Then, if that is the case, may I submit this: I hardly see (and there is where I go now on my own responsibility) where anything short of a very comprehensive and very extended university education will ever fit any man to practice in all corners of his chosen calling, for which university education he should be prepared by some preliminary training, development, and selection, and that university training should be, and I hope we will live to see it extended until it becomes more than merely 11 weeks, more than merely one semester, two semesters, and finally let us hope eventually an entire college experience, because that is not too short to train men in all the different things to which life insurance can be adapted.

People Not Getting Service They Expect

Now I say people are not getting the service they expect. I don't mean to say we are falling short consciously. I only mean this, that with the complexity of modern, civilized life and the greater and increased difficulties of making provision for one's responsibilities up to the standard that is required by modern life, out of the margin which is left after the expenditures of modern life are met, it is becoming increasingly difficult to accomplish, unless men are given a long time to do it. They are turning not eagerly, yet nevertheless hopefully, to the life insurance fraternity for a solution of those problems. That is our responsibility and we will need to know all of these subjects. We take the college graduate and ask him not to offer us everything he may have learned but to take out of his world of knowledge those particular things that fit into this new profession he is about to enter and relate them to his life, endeavor and his career.

Is Only Way to Meet Responsibility

To the new man who has had no bigger concept at all of that these things are, we of course did not give it in 11 weeks, but we do believe that with a cultural foundational training such as the university is prepared to give him, with preparation for it, followed through by the absolutely essential supervision which must follow the imparting of the knowledge and the starting of habits, the carrying through on the part of general agents, managers, supervisors will be the only way in which we can meet the responsibility and the expectations of our present and eventual clients.

Work of Association and Its Needs, Topic in the Afternoon

ALL of Thursday afternoon was given to a consideration of "How Can Local and State Associations Function More Effectively?" Every side of the problem was touched. From what all of the speakers said it was evident that the chief executives of the National Association recognize clearly the need of bolstering up in various ways the local bodies.

President John William Clegg of Philadelphia spoke first, giving the viewpoint of the National Association. Edward B. Hamlin of the National Life of Vermont at Cleveland presided at the session as chairman.

Edwards Tells Service of National Association

J. Stanley Edwards of the Aetna Life at Denver, Col., discussed Mr. Clegg's talk for about five minutes. Mr. Edwards is a past president of the National Association. Mr. Edwards said that a large number of agents do not seem to understand what the National Association has done and is doing for them. He said that the National Association has originated practically all of the forward and progressive movements in life insurance for the past quarter of a century.

Guy McLaughlin of Houston, Tex., and J. H. Russell of Los Angeles, suggested that a pamphlet outlining the purposes and accomplishments of the National Association be prepared and distributed to the various local associations. It was finally resolved to have such a booklet prepared and to have Mr. Edwards on the committee which will compile the material.

Mr. Hamlin, the chairman of the session, who was instrumental in the cre-

of the total membership of 38 an average of 25 sit down to the monthly luncheons and the spirit of these meetings is described as one of much mutual interest. Members of this managers' association state that it has functioned for their best interests as no local life underwriters' association, having a general membership, could do and are emphatic in their belief that it makes possible many things which their other local life underwriters' association may not even attempt.

With the Arkansas agents' qualifica-



JAY E. WILLIAMS, Seattle

New World's Record

Announcement was made in Kansas City Thursday of the setting of a new world's record for the number of applications written in one day, when Guy Peabody, district manager at Sedalia, Mo., for the Royal Union Life, brought in to the Kansas City office of that company 115 applications, all written on Tuesday of this week between 4:30 a. m. and 11:30 p. m. All but five of them were written by Mr. Peabody personally within the city limits of Sedalia. All but six of the 100 thus written were the result of visits by Mr. Peabody to the prospect. Six came into his office to sign up.

ation of the Ohio State Association, told how that body was organized and talked on "The Relative Functions of a Local and State Association."

Frank L. Jones of Indianapolis, the newly elected president, told something of the work of the Indiana Association.

W. W. Winne of Denver spoke of the activities of the Colorado Association.

Bolling Sibley of Memphis, Tenn., reached another angle of the general association problem in his discussion of "What a Managers' Association Division Can Do."

Memphis Managers Have Effective Organization

The Life Managers' Association of Memphis, Tenn., whose work was described by General Agent Bolling Sibley of the Penn Mutual Life, has a membership of 38, embracing practically every company represented in the city and was organized as the result of Mr. Sibley's efforts. It seems to have played an important part in freeing Memphis from many of the troubles which harass managers in other cities and the part time problem, twisting of agents, one case agency appointments, etc., are not known in that city nowadays. Meetings are held monthly and

tion law as a basis for similar legislation in Tennessee, improvements on this have been suggested by the Memphis Managers' Association and adopted by the legislature and the statute in Tennessee is regarded as one which other states may adopt to the advantage of life insurance interests. All agents appointed in Shelby county in addition to the sworn statement made to the Tennessee department are required to also file a sworn statement with the general agent appointing them and this is made a part of the agency contract. It is believed that close inquiry into the methods adopted and used by the Memphis association may lead to other organizations of the same sort being formed in other cities which may have local underwriting conditions at present difficult to cope with.

William A. Searle, assistant to the president, who has traveled all over the country during the past year in the interest of association work, reported on what he has seen and heard as far as association work is concerned. His topic was "Better Organization and How."

The session closed with a question box. Various questions were written on cards, read by the chairman, and the answers given.

ORGANIZATIONS REPRESENTED

Representatives of three of the leading life insurance organizations of the country are interested spectators at most of the business sessions. They are George Graham, vice president and actuary of the Central States Life of St. Louis and president of the American Life Convention; Charles G. Taylor, assistant manager and actuary of the Association of Life Insurance Presidents, and T. W. Blackburn, secretary of the American Life Convention. Both Mr. Graham and Mr. Taylor spoke on behalf of their organizations at the earlier business sessions. Oliver Thurman of the Mutual Benefit also spoke for the Association of Life Agency officers.

Suggesting The Next Steps In Insurance Program For Client

THE discussion Thursday morning on service to clients was closed by Chester O. Fischer of Peoria, Ill., who spoke on "Suggest Next Steps in Insurance Program." He said:

During this morning's session, which has been most interesting, to my point of view, we have had our client well taken care of—his needs surveyed. We have been most interested in his needs regarding wills and trusts, presented to him many types of policies, almost every type of policy imaginable—the many uses and purposes of life insurance. There does not seem to be much left to say or do.

Give Careful Attention to Future Dealings

It seems entirely logical to give careful attention when we have our client in this position to our future dealings and possibilities of service to him, pointing out to him what are the next steps. We have endeavored up to this point apparently to fulfill for him every need that he can possibly attain at this time but it is hard to conceive of a case where there are not future needs, future uses, when he would like to fulfill. Isn't it logical, therefore, at this time that we should point out to him what some of these future needs are which are the most pressing, which should be taken care of first, painting perhaps the picture of how fine it is going to be a little later on when he can increase that monthly income check to the wife from \$50 to \$100 or when he can increase the period of time instead of her receiving the \$100 a month for 15 years to be to receive that for 20 years, or for life? Perhaps it is the matter of the college education for the boy. Perhaps that policy for the dear old mother, painting the picture of what that future step should be.

Send Letter Showing What Has Been Done

Suppose after leaving him and having pressed these things we write him a letter. We say: "It occurs to us that you may be interested in having at hand a short summary of what has been accomplished. We compliment you on the intelligent manner in which you have gone about the matter of properly arranging an estate." We say: "You now have the nucleus of an ideal insurance program for your loved ones. We point out the fact, at your suggestion, that at the earliest possible moment you should proceed with that next step which in our conversation you thought was so advisable; namely, the matter of that policy for the wife, the mother, or the son."

Let's consider for a moment the psychology of the thing. He receives this letter. What are we doing? In the first place we are impressing upon him and again selling to him the service which we have already rendered him because if upon our having completed our present transaction, having left him, we immediately point out to him our future desire to serve, anticipate serving him in the future, and he must needs feel that we expect our service to go on to wear well. That we have absolute confidence in what we have done up to this time. Feel that as time goes on what he has done up to this time is going to make him realize the importance, the absolute logic and soundness of it. Therefore, the first thing we do is by such an act reveal to him what we have already accomplished for him.

Again Impress Him with Magnitude of Institution

In the second place, as we paint this picture of what life insurance can do for him, point out to him that life insurance is working for him and with him, every day of his life, should be considered by him in every business transaction—in every moment that he

gives to considering his future estate—as we point that out are we not again impressing him with the magnitude of this tremendous institution, making him realize again that life insurance is the greatest thing in the world and finally, that at that moment we are selling him our next service in the highest and best manner possible.

We have concluded transactions, completed it; there are no barriers between us; we are ready to leave and then we say to him, "Now this is our advice for the next step." We are selling to him a vision of future happiness for his loved ones, carrying with the future happiness, when he himself will secure through having carried out to the utmost limit that wonderful program.

Men Always Love to Complete Things

Men love to complete things. The thrill of achieving something, we are painting for this man. It seems to me as we go about in our splendid work we should give thought to that proposition that we sell to men the satisfaction and happiness and content, which is security for their loved ones and having painted such a picture and such a vision for our client how easy, how pleasant, how logical, to go back in three months or 6 months as the occasion may seem desirable and say to him, "Now it occurs to me that no doubt you are now ready for this next step." How logical. We are his insurance advisors and counsel, and how difficult for some other insurance man to step into that picture at that point; that we can have the knowledge that we have his confidence and that we have his confidential affairs to take care of, so I say, let us by all means suggest the next step in the insurance program. Let us point out to our client pictures and paint for him and assist him in perfecting a life insurance program that will guarantee to him and his loved ones a full and complete performance of all his responsibilities and obligations and now I see the sign is about ready to quit.

Correspondence Course of Connecticut Mutual

(Continued from Page 2)

binders. They are brief, and give the story or rather the history of life insurance as a life work, because we want to immediately convey to the students what the prospects are. It covers the history of the organization, and by that we want to sell men the loyalty to the organization. There is the policy contract, review of the policy, the rate book, and other helps, elementary sales suggestions, duty and obligation of business insurance, bequests, basic principles of life insurance.

Now, the results obtained are: First, loyalty. You have heard a great deal of this before, and I won't bore you with it. Second, less turnover as compared with the average turnover of the company, something like 10 per cent over a period of exposure of five years. The agent who gets our educational certificate after he has shown a degree of proficiency we think is commensurate with the work, that agent is showing that he is making more money than the agent that is not trained or than the average. Our leaders of 1925 were some 48 per cent more than the leaders of 1920.

In 1920 our full-time men had taken our educational certificates to the amount of 20 per cent. This year the percentage is 59 per cent of full-time men who have taken our course, and we are not going to be satisfied with conditions until we have 100 per cent trained, educated men.

Edwards Tells of the National Association Achievements

IN DISCUSSING the accomplishment of the National Association, following the address along the same line by President Clegg, J. Stanley Edwards of Denver, former national president, said:

President Clegg has covered what we may designate the mechanics of relationship between national and local bodies. That is, briefly, the stressing of common interest meetings, the helping on sales congresses, providing of transfers of membership, and a dozen other things, all equally good and all important.

I sometimes wonder if in stressing these details we have not overlooked the great big reason why there is a National Association of Life Underwriters. If we in studying the machine, the mechanics, have not overlooked the product to the agencies, and to ourselves.

So many young men have come into the business in the past few years, but I doubt if there is one in ten men in our audience that knows, for example, that he would not have nine renewals in his contract if it were not for this association.

What Association Has Done in Legislation

We seem to think that unless we are holding meetings all the time and holding conventions and sales congresses and local meetings that we are not functioning. The American life insurance agency practice would not be what it is today if it were not for what the National Association has done in legislation. I cite that one example. They are going to Albany for you and going to see that the American life insurance agent has a liveable job, a chance to live and make a living. If they never did anything else they would have justified their existence.

Now, we ought to look upon ourselves, and the point I am going to make is to relate this back to the local association, and I think this is the job of the National Association. That is my text, to sell the National Association to the locals, and in order to do that we must carry back this information of what the national is.

The National Association is a mighty poor salesman. We have not sold ourselves to our locals and to our own members. They don't know what we have done for them. Mr. Edward Woods this morning mentioned to me that our own local associations do not know the books, the pamphlets, the charts, the helps that are in the New York office.

I had an experience last week in New York. One of the most successful agency managers in New York did not know that a copyrighted survey plan of Mr. Duff's is on sale, I think for 10 cents, at the National Association. He just ate it up when he saw it. It was a few blocks from his office. He didn't know it was in existence. We ought to think of ourselves, it seems to me, as a sort of fountain of influence, a sort of center of power, a center of responsibility. This association has upon it the duty and opportunity and record up to date of performing, of producing about once a year one great big idea in life insurance.

Pioneer Along Many Important Lines

I will give you about five of them if you will give me two or three minutes more. We created the form of American life insurance. This is the oldest organization connected with life insurance in the United States, longer than the Presidents Association, long before the Agency Officers' Association, long before the Medical Directors Association, long before the Actuaries Association, long before the American Life Convention. We pioneered the association idea in life insurance.

We were all fighting each other. We were scattered. We had nothing in common but the color of our rate book and that varied a little. We created a forum for the exchange of ideas. If the National Association has never done anything but that it would be worth your paying \$2 a year for the rest of your lives.

Exchanged Idea for Benefit of Fraternity

We created that forum through the medium of our magazine and the medium of these conventions and sales congresses, so that life insurance thoughts and sales methods could be exchanged for the benefit of the whole fraternity, not only did we create the forum but we created the atmosphere that made possible that meeting last night, because this association and this association only pioneered in that great idea of training before selling.

Under the auspices of this association, your association was the first school for life insurance salesmanship established at Carnegie Tech. That would be a text for another sermon, but there are two things we did. When these officers of the present are talking, not for publication, they will freely admit that they require more from this association for help in legislation than any one other effort in this country. And we know, many of us, from personal experience that that has been the function and successful job of this association, the keeping of American life insurance on the map so that it would not be outlawed by adverse legislation.

Originated Trust Company Idea

And then those two or three big ideas that have come year after year. The association of life insurance with the trust company ideas, who put that out? Did my company ever think of it? Did your company ever put it out? No. It was the National Association of Life Underwriters that sold that idea, which the companies borrowed and amplified.

Now, the chart of ethics. They used to sneer at that a little. Did my company ever put out a chart of ethics? No, not on your life, nor your company. But this association made and endorsed not only among its own members, but by being policeman on guard among the life insurance men of the United States, those who obeyed it in principle and those through fear. It created living, working, competitive conditions in a highly competitive business, so that we live in amity and brotherly love today and the man who doesn't observe that chart of ethics is an outlaw.

Started Idea of Life Insurance for Bequests

Take the idea of life insurance for bequests, which was pioneered by this association and the idea of life insurance for education.

Now, if we can keep at the top, some of you young men can be pioneering and putting over one big idea every year, can aid very much. I believe in this fast-growing business this association will sufficiently justify itself, so that President Clegg or any other president or men like Mr. Searle don't have to go up and down this country trying to sell the idea of little bits of items of service to the local association, because any right thinking life insurance man will recognize that he is owing not only his life contract but the life blood of his business, his ideas and sales plans to this association. If that is not worth \$2 a year to him, I don't know what is. It seems to be absurd, that we should have to sell this association to our locals. I think we have been derelict, I think we have been too modest. I think our presidents ought to preach this as they go up and down the land.

Training Plans of Burroughs Company Told to Agency Heads

AN outsider, L. E. Hooker of the Burroughs Adding Machine Company, got the Wednesday evening business building session off to a rapid start. Mr. Hooker spoke of the value of training stressing the fact that the trained salesman is always the one who wears and is able to repeat. Mr. Hooker said:

It would seem that a meeting of this kind would not be necessary for any purpose but to discuss methods of training. However, I suggest possibly there are people in your ranks, as well as in our selling organization, who are not yet sold on the matter of training salesmen, educating salesmen for their job.

Two Hardest Tasks that Confront Sales Manager

The two hardest tasks that I believe confront our general sales manager and your agency manager are, first, to impress the men in the selling field and the new men that come into the field of the fact that business is changing by leaps and by bounds.

Second, under modern plans and knowledge of selling, it is no great accomplishment, to make sales once. The important thing is to keep sales going. This is only possible through satisfied customers, acceptance, as we call it. Service today must be more important than the sale. The modern practice of business ethics is that the other party to the transaction must have reasonable cause to be satisfied and must receive a benefit. That is the fundamental, ethical principle of modern business. The untrained man may make the sale, but the question is whether he will, in making the sale, give the proper service to the customer and whether the customer will be satisfied with that service later.

Training and Toil to Lay Foundation

Did it require study and training and toil to lay the foundation of this great structure of business as we see it today? Did not the experience of the pioneers in business and various undertakings which their business led them into produce any conclusions which should be handed down to the man who is starting in business today, so that he can profit by the experience, the trial period of fifty or sixty years ago?

Sales training is simply experience reduced to a training or a teaching basis, and if it has taken training and study to lay the foundation, can we construct on this foundation without taking advantage of training and study?

Phase of Service to the Customer

Looking at this question of training from the second phase, that is the phase of service to the customer, let me read a telegram I received today from one of the greatest sales generals in this country. He says:

"We believe in training salesmen, because we want our men to know that they know the best methods of presenting our message, securing business and rendering satisfactory sales and installation service to our customers."

When he said that he meant it, because the Burroughs Adding Machine Company is going right to the bottom of this question of training, not only with the new men in the field, the new men who are entering the business, but with the old men in the business.

Keep Old Men Young as to Business Ideas

Our problem today is to take the old men in the business and keep them young as to business ideas. The new salesmen in our organization is given his first training in the agency. We hold the agency responsible for that beginning, for that preliminary training,

but we provide the agency with a definite course of training, and the agency manager is checked up on how well he is presenting that training course to the new man.

We are now getting ready to start an advanced course for salesmen at our factory. After the salesman has received a certain amount of preliminary training in the agency and has received certain field experience in actual selling he is then sent to our factory, where he is given a regular schooling, not taking him through the whole course of training, because that would be impossible, with our product, but he is given a six-weeks' course.

Takes Nerve to Tell Manager He Needs Training

Now, we realize what it means to take men out of the field. We realize that it is an expensive thing for an agency and it is an expensive thing for the company, and it is an expensive thing for the man. It costs money, but it is simply an investment. It is not costly at all, as I am going to prove to you a little bit later.

We brought in about four months ago to a school about 35 or 40 of our agency managers, and that was a new thing, to bring in a lot of agency managers into the school and assume that our agency managers needed training. I want to tell you it takes nerve to tell any agency manager that he needs training. I realize that, but we did it. I don't believe some of the men took it in the right light and that school ran for six weeks, but we exposed a good many things and before some of those agency managers were through they began to realize how little they knew.

Old Fellows Must Begin to Study a Little Harder

We old gray-haired fellows in business in this insurance business or in the Burroughs business are very liable to stand still or slip back, and the only reason that this age has been known as a young man's age is because we old men have failed to realize the law of the survival of the fittest, and it is about time that every man, when he looks in the mirror and sees the tinge of gray hair on his temples, should begin to study just a little harder and begin to keep up with the new things in his business, because he is in a position of losing out, if he is not very, very careful.

In addition to the training which I have outlined, we of course have our weekly meetings of men in the agency, and we have our conventions at certain periods and our group meetings, but we have a sales promotion staff, a staff of men who travel out of the factory into the agency and who check up the agency manager on his training of the men, who actually go out and work with these men and who are a sort of liaison with the home office. Now does all this pay?

Results from Training School Summarized

For a long time we did away with our home office schools. I think for about three or four years there were discontinued. We did not have the sales promotion staff that we have now, and we slipped a little bit on this training. We started our home office schools again, I think, about a year and a half ago. I asked our educational director, who was in New York, to wire me the result and I am going to give you his wire. He said, "The pertinent factors are a decreased turnover of new men from about 85 per cent to 38 per cent."

A decreased turnover in new men from 85 per cent to 38 per cent. Now that will pay for the thing itself.

"Average increase in production 11 points per month—"

You can figure a point on a basis of \$25.

Clegg Tells Of His Hopes For Strengthening Of Local Bodies

AS the head of the National Association, John William Clegg of Philadelphia told why the national officers desire to see the local and state associations enjoy a healthy growth this year. He spoke at the Thursday afternoon session, devoted to a consideration of ways and means of strengthening the local bodies. Mr. Clegg said:

The National Association has in mind the bringing to all of our local communities the experiences, the problems, the solutions of our common tasks, the solution of the things that we think are peculiar to our own local section.

Immediately after I became president, in securing Mr. Searle as assistant, the one thing that seemed most important was to help, in as far as we could from a national standpoint, the local organizations.

Wants Association Membership Required

We are not a scientific organization of men and women. We are life underwriters. If our national organization is to be strong, then we must begin to strengthen our local bodies. If the local bodies are to be strong, then we must help each individual underwriter to become an important part in the work of his or her local association.

We would like to see the time soon come when it would be a requirement, a company requirement, that every man and woman entering the life underwriting profession, either as an underwriter, a general agent, or a manager, should be required to join and enter into heartily the work of the local associations.

Many general agents now make it a requirement in their contract. We hope sooner or later to have the companies adopt this practice. Some of our companies are not sold on the association idea. I believe their officers lack vision. I believe our national body should go before our companies with a resolution or with some form of influence to try and bring them more closely in contact with our work and through our work help them in their jobs.

For Closer Touch With Insurance Departments

Furthermore, I believe this National Association, through its local bodies, should become more closely associated, if possible, with our insurance departments. He can be of great help, I believe, in correcting laws, in putting on the books good laws, if we convince the insurance commissioner that we are with them. I know they are with us in all our constructive work, and when you and I appreciate this one fact, that of the amount of money paid into our state treasuries through life insurance, that the average contribution towards supervision is 5 per cent, that 95 per cent of the monies paid into our state treasuries by life insurance companies are not necessary for state supervision, I believe we have a great task before

us in informing and educating the companies, the legislatures, of what we are endeavoring to do, and that we can correct these improper laws and strengthen those that are now in existence.

In securing Mr. Searle, it is merely one step forward, I believe, in our development. Personally, I believe instead of one man in the field, we should have several men in the field. Mr. Ensign has been with the association, as you know, for 17 years, and it is absolutely a physical impossibility for one man to handle this corporation. It is entirely too big. The combination of Mr. Ensign and Mr. Searle gives us a working basis, I believe, which we have never had before. Their work is complementary to each other, and I believe that we, with your assistance, bringing to us what you believe your local problems are, suggestions of how you individuals feel that they can be met, will help us at headquarters to help you in the solution of our common problems and bring a better spirit in our various communities.

Value of Meetings in Larger Agencies

I would further say, in closing, the one thing: That I personally hope to see, in large cities, the larger agencies have their meetings for inspiration and information, some of them weekly, some of them monthly.

In the smaller communities they do not have these meetings, because they do not have the large agencies. Why can't we? Above the company is the institution of legal reserve life insurance. Why can't we, you and I, if we are in a small community get together and whether we, so-called, recommend a half dozen companies or a dozen companies, get together and have these inspirational meetings and the meetings for information, irrespective of the companies for which we happen to give the first choice of our business to.

Let us constitute ourselves in these smaller communities as an agency for legal reserve life insurance and thereby insure the life values of these smaller communities, and rendering the professional service of which we have heard so much, and I believe that by doing this we will help ourselves, help our communities, and to a greater degree emphasize the value of legal reserve life insurance in fulfilling every economic need.

CHAIRMAN HAMLIN: In regard to the figures which Mr. Clegg referred to in regard to taxation, in Ohio, the amount received for tax on insurance premiums is \$4,000,000. Of this \$4,000,000 was spent for supervision, 1.87 per cent. I mentioned it because Mr. Clegg referred to it as 5 per cent. Many states have less than 5 per cent used for supervision.

COMMISSIONERS ON HAND.

A few insurance commissioners have been in evidence during the course of the national life underwriters meeting. James A. Beha of New York was present on Tuesday as were Ben C. Hyde of Missouri and Jesse G. Reed of Oklahoma. William R. Baker of Kansas was present and spoke as a representative of the Insurance Commissioner's Convention.

A dinner for the agents for the Farmers & Bankers Life attending the National Association meeting was given Tuesday evening by H. K. Lindsley, president, and Frank Jacobshagen, secretary.